

Coastal GasLink pipeline Canada

Sectors: Oil and Gas Extraction

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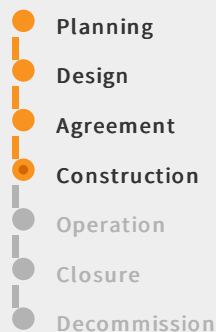
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Sectors Oil and Gas Extraction

Location

Status



Website <https://www.coastalgaslink.com/>

About Coastal GasLink pipeline

The Coastal GasLink pipeline is a [670-kilometre](#) pipeline currently under construction in British Columbia, Canada. The pipeline is intended to transport fracked gas from Dawson Creek to Kitimat. From there, LNG Canada will convert the gas into liquefied natural gas (LNG) for export to global markets. The project costs are estimated to be [CAD 6.6 billion](#). The pipeline is expected to start operating in 2023 with an initial capacity of two to three billion cubic feet of gas per day. The pipeline has the capacity to expand to [five billion](#) cubic feet of gas per day.

Why this profile?

The Coastal GasLink pipeline that is currently under construction is heavily opposed by the Indigenous Wet'suwet'en Nation, whose land, water and community will be threatened by the pipeline's construction. New pipelines such as these are also incompatible with achieving the goals of the Paris Climate Agreement.

This project is also part of BankTrack's [Tracking the Equator Principles](#) campaign.

What must happen

Banks that finance the Coastal GasLink pipeline, either directly or indirectly, are facilitating Indigenous rights violations as well as environmental harm. Banks should refrain from financing the project itself as well as the companies behind it.

Impacts

Human rights, social and gender impacts

Indigenous rights The Coastal GasLink pipeline currently under construction will run through the lands of the Wet'suwet'en nation. In violation of the United Nations Declaration on the Rights of Indigenous Peoples, Coastal GasLink did not receive free, prior and informed consent for the construction of the pipeline from the lands' title holders.

In the 1997 case [Delgamuukw v. British Columbia](#), Canadian courts recognised that the hereditary chiefs are the title holders over the Wet'suwet'en nation's traditional lands, and thus have the authority and jurisdiction to make decisions about the lands. However, in order to get consent, the federal and national governments ignored the hereditary chiefs. Instead they went to the band councils who, according to the Delgamuukw case, do not have authority off-reserve.

For years already, the hereditary chiefs of the Wet'suwet'en nation are [opposed](#) to the Coastal GasLink pipeline and [all other pipelines](#). When Coastal GasLink moved onto their lands, the hereditary chiefs asked them to leave. In response, Coastal GasLink obtained a [court injunction](#) to forcefully remove hereditary chiefs, Wet'suwet'en land defenders, and supporters from their own land.

In February 2020, following widespread solidary protests, a [Memorandum of Understanding](#) (MoU) was drafted by the Wet'suwet'en, provincial and federal governments. While the MoU recognises the authority of the hereditary chiefs, it does not address or resolve the dispute over the Coastal GasLink pipeline.

Environmental Assessment Certificate In February 2020, the hereditary chiefs of the Wet'suwet'en nation filed an application to the British Columbia (B.C.) Supreme Court, [requesting a judicial review](#) of the decision made by the Environmental Assessment Office (provincial agency that assesses major development proposals in British Columbia) to grant an extension to the Environmental Assessment Certificate for the Coastal GasLink pipeline. The chiefs argue that the extension, which was granted in October 2019, should not have been granted based on Coastal GasLink's non-compliance with the conditions of its permits (read more under 'environmental issues') as well as the findings of Canada's [National Inquiry on Missing and Murdered Women](#) (read more under 'gender aspects').

Covid-19 While British Columbia extended its state of emergency, pipeline construction is allowed to continue as it is classified as an essential service by the provincial government. It is reported that even though there are less workers on-site, the workers remain in [close proximity](#). The situation has caused fears of an outbreak. An [article published on Ricochet](#) explains how some Indigenous people are reminded of "the darkest episodes of North America's violent colonial legacy, including the 1837–38 smallpox epidemic caused by infected blankets that white settlers gave to unsuspecting Native Americans." Makwala Smith, a protestor against the relevant legislation said: "If our isolated communities start getting infected by the virus because of the coming and going of police and CGL workers, this would mean the continuation of the cultural genocide brought upon by racist attitudes and decades of colonialist policies that have been imposed on our people."

Industrial work camps Besides Coastal GasLink's noncompliance with conditions set out in its initial Environmental Assessment Certificate, in its application to B.C. Supreme Court the hereditary chiefs point to the results of an inquiry into the cases of Missing and Murdered Indigenous Women and Girls. The inquiry found that there is "[substantial evidence](#) that natural resource projects [like Coastal GasLink] increase violence against Indigenous women and children and two-spirit individuals" through the creation of 'man camps'. The inquiry calls for the "government to do [gender-based analysis](#) of the impact of new resource projects". According to the Wet'suwet'en, Coastal GasLink's 'Social and Economic Effects Management Plan' [falls short](#) and does not include such an analysis.

Environmental impacts

Violations of environmental conditions According to the hereditary chiefs, Coastal GasLink does not comply with the conditions set out in the initial Environmental Assessment Certificate of 2014. In its [inspection reports](#), the Environmental Assessment Office notes dozens of violations by Coastal GasLink in 2018 and 2019. The [violations](#) range "from blocking Indigenous people from accessing their traplines to missing deadlines on commitments to conserve caribou and endangered plants".

Climate change It is expected that the Coastal GasLink pipeline will transport up to five billion cubic feet of natural gas every day when in operation. When burned, this natural gas is equivalent to the emission of [585.5 million pounds](#) of CO2 every day. This corresponds to approximately 13% of Canada's daily greenhouse gas emissions in 2017. In general, all development of untapped fossil fuel sources is incompatible with the Paris climate agreement. Analysis by [Oil Change International](#) shows that the currently developed fossil fuel reserves for gas, oil and coal are already double the remaining carbon budget for a 50% chance of staying below 1.5°C of global warming.

An article published by Canada's National Observer in June 2020 report that the Canadian government is [undermining its own climate goals](#) by supporting pipeline projects such as the Coastal GasLink pipeline.

Pollution The Coastal GasLink pipeline will carry gas fracked from the Montney Shale Formation. Hydraulic fracturing, or fracking, is the technology being used to develop unconventional hydrocarbon reservoirs. Scientific research shows that the employment of fracking [negatively impacts](#) public health, water, soil and air. The technique makes use of several dangerous chemicals that are released during the process causing pollution.

Physicians in Dawson Creek (where the natural gas that Coastal GasLink will carry is fracked) recently warned for [health issues](#) related to fracking activities, after seeing patients with symptoms they could not explain. These symptoms include nosebleeds, respiratory illness and rare cancer types.

Diesel spills In June 2020, The Tye [reported](#) that two fuel spills occurred on Wet'suwet'en territory. Both of the spills caused 500 litres of diesel to

leak into the ground. One of the spills occurred at the Community-Industry Safety Office of the Royal Canadian Mounted Police (RCMP), which was set up to patrol pipeline protests in the area. The second spill occurred at a work camp for the Coastal GasLink pipeline. Both of these spills were not reported to the hereditary chiefs until days after the fact.

Governance

Bank policies

The following bank investment policies apply to this project:

Royal Bank of Canada (RBC)

Climate Blueprint

Nov 25 2019 | RBC

Bank of Montreal (BMO)

Statement on human rights

Apr 30 2017 | BMO

Statement on climate change

Dec 31 2018 | BMO

Responsible lending policies

[Date listed represents date as accessed on website]

Mar 9 2020 | BMO

Scotiabank

Human Rights Statement

Feb 25 2019 | Scotiabank

Toronto-Dominion Bank (TD Bank)

Responsible Financing

Page 17 of TD's CSR report 2018

Jun 24 2019 | TD

Canadian Imperial Bank of Commerce (CIBC)

Corporate environmental policy

Date listed represents date accessed on website

Mar 9 2020 | CIBC

Lending and investment

Date listed represents date as accessed on website

Mar 9 2020 | CIBC

Bank of America

Environmental and social risk policy framework

Oct 23 2019 | Bank of America

Human Rights Statement

Apr 18 2019 | Bank of America

Citi

Statement on human rights

Nov 22 2018 | Citi

Environmental and social policy framework

Apr 20 2020 | Citi

JPMorgan Chase

Environmental and social policy framework

Feb 25 2020 | JPMorgan Chase

Mizuho Financial Group

Updated policy - Responsible investment and financing

Jun 1 2020 | Mizuho

Mitsubishi UFJ Financial Group (MUFG)

Revision of the MUFG Environmental and Social Policy Framework

May 13 2020 | MUFG

Sumitomo Mitsui Banking Corporation (SMBC)

Statement on human rights

Date listed represents date as accessed on website

Mar 5 2019 | Sumitomo Mitsui Financial Group

Response to climate change

Date listed represents date as accessed on website

Mar 5 2019 | Sumitomo Mitsui Financial Group

Revision of ESG financing policies

Apr 16 2020 | Sumitomo Mitsui Banking Corporation

Truist Bank

Code of Business Conduct and Ethics

Oct 12 2018 | SunTrust Bank

Export Development Canada

Climate change policy

Jan 28 2019 | Export Development Canada

Environmental and social risk management policy

May 1 2019 | Export Development Canada

Bank of China

Environmental policy

Apr 1 2019 | Bank of China Hong Kong

CaixaBank

Environmental risk management policy

Feb 28 2019 | CaixaBank

KfW IPEX-Bank

Exclusion list and sectoral guidelines

Jul 1 2019 | KfW Group

LBBW

Sustainability Practices

Mar 1 2019 | LBBW

United Overseas Bank (UOB)

Responsible financing

Date listed represents date as accessed on website

Dec 18 2019 | UOB

National Australia Bank (NAB)

ESG policy for oil and gas sector

Page seven of NAB's 2018 CSR report

Jan 1 2019 | NAB

Human rights policy

Nov 30 2019 | NAB

Sumitomo Mitsui Trust Holdings

Environmental Policy

Date listed represents date as accessed on website

Apr 28 2020 | SMTH

Basic policy on the social responsibility (Sustainability Policy)

Date listed represents date as accessed on website

Apr 28 2020 | SMTH

Applicable norms and standards

Equator Principles

Principles for Responsible Banking (PRB)

UN Guiding Principles on Business and Human Rights

UNFCCC - The Paris Agreement

United Nations Declaration on the Rights of Indigenous Peoples

Other applicable regulations

[Environmental Assessment Act](#) of British Columbia, Canada

Updates

Financiers

In May 2020, it was reported that TC Energy (the company which previously fully owned and operated the project through its subsidiary TransCanada Pipelines) secured [project financing](#) for the Coastal GasLink pipeline. The project finance is estimated to cover up to 80% of the project costs. See below for the banks and financial institutions that provided this debt. Besides project finance, five commercial banks (Royal Bank of Canada, Bank of Montreal, Scotiabank, CIBC and TD Bank) have provided Coastal GasLink with working capital.

The remaining costs will be provided through equity by TC Energy. More information on who finances TC Energy can be found on the company's [profile](#).

Banks

ATB Financial Details ▼		
Debt – project finance	CAD 160 million	28 April 2020 - 28 April 2027
ATB Financial co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Bank of America United States profile Details ▼		
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
Bank of America co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Bank of China China profile Details ▼		
Debt – project finance	CAD 240 million	28 April 2020 - 28 April 2027
Bank of China co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Bank of Montreal (BMO Financial Group) Canada profile Details ▼		
Debt – corporate loan	CAD 40 million	28 April 2020 - 28 April 2027
Bank of Montreal co-financed CAD 200 million working capital to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Debt – project finance	CAD 275 million	28 April 2020 - 28 April 2027
Bank of Montreal co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
CIBC Canada profile Details ▼		
Debt – corporate loan	CAD 40 million	28 April 2020 - 28 April 2027
CIBC co-financed CAD 200 million working capital to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Debt – project finance	CAD 275 million	28 April 2020 - 28 April 2027
CIBC co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Caixabank Spain profile Details ▼		
Debt – project finance	CAD 240 million	28 April 2020 - 28 April 2027
CaixaBank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Canadian Western Bank Details ▼		
Debt – project finance	CAD 60 million	28 April 2020 - 28 April 2027
Canadian Western Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
China Construction Bank China profile Details ▼		

Debt – project finance	CAD 240 million	28 April 2020 - 28 April 2027
China Construction Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Citigroup United States profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
Citi co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Industrial and Commercial Bank of China (ICBC) China profile		Details ▼
Debt – project finance	CAD 160 million	28 April 2020 - 28 April 2027
ICBC co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
JPMorgan Chase United States profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
JPMorgan Chase co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
KfW IPEX-Bank Germany profile		Details ▼
Debt – project finance	CAD 240 million	28 April 2020 - 28 April 2027
KfW IPEX Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Kookmin Bank		Details ▼
Debt – project finance	CAD 240 million	28 April 2020 - 28 April 2027
Kookmin Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Landesbank Baden-Württemberg Germany profile		Details ▼
Debt – project finance	CAD 160 million	28 April 2020 - 28 April 2027
Landesbank Baden-Württemberg co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Mitsubishi UFJ Financial Group (MUFG) Japan profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
MUFG co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Mizuho Japan profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
Mizuho co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
National Australia Bank Australia profile		Details ▼
Debt – project finance	CAD 117.5 million	28 April 2020 - 28 April 2027
National Australia Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
National Bank of Canada		Details ▼

Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
National Bank of Canada co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Royal Bank of Canada Canada profile		Details ▼
Debt – corporate loan	CAD 40 million	28 April 2020 - 28 April 2027
Royal Bank of Canada co-financed CAD 200 million working capital to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Debt – project finance	CAD 275 million	28 April 2020 - 28 April 2027
Royal Bank of Canada co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Scotiabank Canada profile		Details ▼
Debt – corporate loan	CAD 40 million	28 April 2020 - 28 April 2027
Scotiabank co-financed CAD 200 million working capital to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Debt – project finance	CAD 275 million	28 April 2020 - 28 April 2027
Scotiabank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Sumitomo Mitsui Banking Corporation (SMBC) Japan profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
SMBC co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Sumitomo Mitsui Trust Holdings Japan profile		Details ▼
Debt – project finance	CAD 117.5 million	28 April 2020 - 28 April 2027
Sumitomo Mitsui Trust Holdings co-financed a CAD 6.4 billion term loan to Coastal GasLink. (Note sources differ and Bloomberg does not list this bank as a financier). <i>source: IJGlobal data, July 2020</i>		
TD bank Financial Group Canada profile		Details ▼
Debt – corporate loan	CAD 40 million	28 April 2020 - 28 April 2027
TD Bank co-financed CAD 200 million working capital to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Debt – project finance	CAD 275 million	28 April 2020 - 28 April 2027
TD Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
Truist Bank (formerly SunTrust) United States profile		Details ▼
Debt – project finance	CAD 315 million	28 April 2020 - 28 April 2027
SunTrust Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		
United Overseas Bank Singapore profile		Details ▼
Debt – project finance	CAD 160 million	28 April 2020 - 28 April 2027
United Overseas Bank co-financed a CAD 6.4 billion term loan to Coastal GasLink <i>source: IJGlobal data, July 2020</i>		

Export credit agencies

Export Development Canada (EDC) Canada profile	Details ▼
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Debt – project finance

CAD 315 million

28 April 2020 - 28 April 2027

Export Development Canada co-financed a CAD 6.4 billion term loan to Coastal GasLink
source: IJGlobal data, July 2020

Investment banks

Raymond James

Details ▼

Debt – project finance

CAD 55 million

28 April 2020 - 28 April 2027

Raymond James co-financed a CAD 6.4 billion term loan to Coastal GasLink
source: IJGlobal data, July 2020

Note: Sumitomo Mitsui Trust Holdings is listed as a financier by IJGlobal, but not by Bloomberg.

Related companies

Initially, the Coastal GasLink pipeline project was fully owned by TransCanada Pipelines, a 100% subsidiary of TC Energy - which is also behind the controversial [Keystone XL](#) tar sands pipeline. In December 2019, KKR and AIMco bought a 65% stake in the Coastal GasLink project.

Alberta Investment Management Corporation (AIMCo) Canada

Kohlberg Kravis Roberts & Co. (KKR) United States

TC Energy Canada [show profile](#)

[Pipeline Transportation of Crude Oil](#) | [Pipeline Transportation of Natural Gas](#)