



To:

Alison Nankivell

Rachel Guthrie

Steven Richards

Leah Gilbert Morris

Loretta Serrano Gonzalez

CC: The Honourable Maninder Sidhu, Minister for International Trade

Dear Team,

We, the undersigned Civil Society Organizations, are writing to express our serious concerns regarding any potential direct or indirect financing – including loans, guarantees, bonds, equity or insurance – from Export Development Canada (EDC) for the proposed Ksi Lisims floating liquified natural gas (LNG) export terminal, and any associated infrastructure. We believe this project is fundamentally misaligned with EDC’s strategic mandate, and the financial profile EDC seeks in the companies it supports. We extend this opposition to any financing for LNG Canada, which is [currently under consideration for financing by Export Development Canada](#).

Misalignment with EDC’s Strategic Mandate

A central objective of EDC’s strategic plan is supporting Canadian companies’ operations in high-growth international markets. EDC’s investment criteria call for companies with a strong competitive advantage, a proven business model, and a clear international growth plan. Ksi Lisims fails on multiple fronts. The project has struggled to attract private financing for almost a decade. It has secured gas buyers for just one-third of its projected lifetime capacity, raising serious questions about commercial viability.

Ksi Lisims is wholly owned by the Texas-based shell company Western LNG. It has no track record of revenue generation or project delivery, and is financed by US asset management and private equity companies such as [Blackstone](#). The floating terminal will be constructed in South Korea by [Samsung Heavy Industries](#), further offshoring any potential benefit to Canada.

The global LNG market is in the midst of a structural shift, driven by the conflict in Iran. The countries in Asia which Canada would seek to export products to are highly exposed to the price volatility of global gas markets. In contrast to these volatile imported fuel prices, renewable energy costs have consistently declined over two decades. Gas importers are learning that the long-term solution to avoiding the economic disruptions of energy commodity price fluctuations



is building out affordable and reliable renewable energy. This shift has caused forecasters to indicate that gas markets may be [facing long-term demand destruction](#). Ksi Lisims may not produce its first shipment until 2029 at the earliest, by which point global LNG demand trajectories will be further shaped by accelerating energy transition momentum and demand destruction from geopolitical disruption.

Unresolved Indigenous Rights Issues and Legal Exposure

There are multiple unresolved legal issues related to Indigenous non-consent of Ksi Lisims.

- Neither the [Lax Kw'alaams Band](#) nor [Metlakatla First Nations](#) have consented to the project, and filed separate federal judicial reviews challenging federal approval
- Most Gitksan house groups have not consented, with [one hereditary chief filing a provincial challenge](#) against the Prince Rupert Gas Transmission Line
- The Gitanyow Hereditary chiefs have [challenged the project in court](#) over threats to salmon populations, climate impacts, inadequate consultation and absence of Indigenous consent
- Two members of the [Nisga'a Nation](#), one of the proponents of the Ksi Lisims project, have filed a lawsuit in the B.C Supreme Court, alleging inadequate consultation and financial risks.

These active legal disputes present significant potential liability that must weigh heavily into EDC's assessment of Ksi Lisims.

Environmental and Climate Risks

The environmental liabilities of Ksi Lisims are significant. Ksi Lisims would continue to pollute our environment at every stage of operation. It would leak methane, a greenhouse gas 80 times more powerful than carbon dioxide over a 20-year span, at extraction, transportation and processing. The estimated upstream emissions would be at minimum 3-4 MT CO₂e per year, not including underreporting. These emissions would make it even harder for Canada to meet its climate commitments, which [we are significantly off-track in meeting](#). The downstream emissions associated with LNG produced at Ksi Lisims surpass 32 MTCO₂ per year, equivalent to the annual emissions from [8 coal power plants](#).

Canada's only operating LNG facility is currently producing more air pollution from flaring than any other facility in the world, flaring [45 times more](#) than its permits allow. Between July and December 2025 alone, the facility flared [more than 350 million cubic metres](#) of methane gas, far exceeding 2024's biggest global offender: Nigeria's Bonny Island LNG terminal, which flared



less than 250 million cubic metres over an entire year. Regulators have failed to step in and address this problem.

Counter to EDC's Cleantech Leadership

EDC has been one of Canada's largest providers of financial solutions to cleantech companies, providing almost \$20 billion since 2012. [EDC's own analysis](#) highlights Canada's competitive advantages in exporting certain clean technologies, including green hydrogen, solar energy and hydropower. EDC's cleantech focus areas represent the exact types of high-growth international markets where Canada could build a competitive advantage, while aligning with Canada's climate commitments. Canada has no competitive advantage in the global LNG market.

In light of the above, we recommend EDC to:

1. **Decline to provide any direct or indirect project financing** for Ksi Lisims LNG;
2. **Deny general corporate financing** to Ksi Lisims LNG's project developers;
3. **Decline to provide any direct or indirect project financing for LNG Canada;**
4. **Required that EDC directly consult with any First Nations or Indigenous communities impacted by a project.** The Government of Canada has a duty to consult Indigenous groups when a project or action might adversely impact potential or established Aboriginal or treaty rights. This duty, which is a legally required by federal agencies, has been reaffirmed by the Supreme Court of Canada in several cases, including [Haida Nation v. British Columbia \(Minister of Forests\)](#), [Taku River Tlingit First Nation v. British Columbia \(Project Assessment Director\)](#), and [Mikisew Cree First Nation v. Canada \(Minister of Canadian Heritage\)](#);
5. **Require that clients have obtained the Free, Prior, and Informed Consent** from all impacted Indigenous communities, as outlined in B.C. law via the Declaration on the Rights of Indigenous Peoples Act;
6. **Deploy capital toward increasing Canada's clean tech exports.**

Ksi Lisims is not a Canadian export success story waiting to happen. It is a high-risk, legally contested fossil fuel project that has failed for decades to attract capital. This project does not belong in EDC's portfolio,

Yours Sincerely,



environmental
defence

Environmental Defence Canada
Representing 240,217 Canadians

My Sea to Sky
Representing 35,000 Canadians

Shift: Action for Pension Wealth & Planet Health (a project of Makeway)

Change Course

For Our Kids, Burnaby
Representing 200 Canadians

Seniors for Climate Action Now!
Representing 800 Canadians

Climate Justice Saskatoon
Representing 600 Canadians

Wilderness Committee
Representing 50,000 Canadians

Climate Justice Thunder Bay
Representing 5,000 Canadians

Climate Action Network Canada
Representing 200 Climate Organisations from across Canada

Stand.earth
Representing 1,000,000 Canadians

Dogwood
Representing 100,000 Canadians

Grandmothers Act to Save the Planet (GASP)
Representing 170 Canadians

Canadian Association of Physicians for the Environment
Representing 25,000 Canadians



David Suzuki Foundation

Greenpeace Canada
Representing 43,000 Canadians

Citizens for Public Justice (CPJ)
Representing 3,500 Canadians

Climate Reality Project Canada
Representing 1,600 Canadians

Climate4Palestine Toronto
Representing 60 Canadians
Ateliers pour la biodiversité

Regroupement Vigilance Énergie Québec (RVÉQ)
Representing 200 Canadians

CCC-AC - Collectif de convergence citoyenne d'Ahuntsic-Cartierville
Representing 200 Canadians

Citizens' Climate Lobby Canada
Representing 6,000 Canadians

Say No to LNG

Mobilisation environnement Ahuntsic-Cartierville

Southern Alberta Group for the Environment

Calgary Climate Hub
Representing 700 Canadians

Teachers for Future Turtle Island
Representing 5000 Canadians

Decolonial Solidarity
Representing 11,342 Canadians



environmental
defence

Solidarité Environnement Sutton

Les AmiEs de la Terre de Québec
Representing 3,000+ Canadians

BC Divest Now

Above Ground, a project of MakeWay

Equal Routes

For Our Kids
Representing 8000 Canadians

Total of 35 Organizations Representing 1,604,859 Canadians

International Partners

urgewald

Oil Change International

AnsvarligFremtid (Denmark)

groundWork

Andy Gheorghiu Consulting

MARBE SA, Costa Rica

Center for Oil & Gas Organizing

Jubilee Australia Research Centre

Rivers & Mountains GreenFaith

Rainforest Action Network (RAN)



Fundación Ambiente y Recursos Naturales (FARN)

Quest For Growth and Development Foundation

Climate Conversation Brazoria County

Carrizo Comecrudo Tribe of Texas

Earth Ethics, Inc.

Climate Defenders

Mother Rise Up

350Hawaii

Gulf South Fossil Finance Hub

South Durban Community Environmental Alliance

ReCommon

GreenFaith

FoE Japan

Pacific Environment

Waterkeeper Alliance

Parents4climate

Climate Action Campaign at the Humboldt UU Fellowship

Total 27 Organisations Representing Africa, Asia, Oceania, North America, South America and Europe