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## Federal Judge OKs Global Warming Lawsuit

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A federal judge here said environmental groups and four U.S. cities can sue federal development agencies on allegations the overseas projects they financially back contribute to global warming.

The decision Tuesday by U.S. District Judge Jeffrey White is the first to say that groups alleging global warming have a right to sue.

"This is the first decision in the country to say that climate change causes sufficient injury to give a plaintiff standing, to open the courthouse door," said Ronald Shems, a Vermont attorney representing Friends of the Earth.

That group, in addition to Greenpeace and the cities of Boulder, Colo., Santa Monica, Oakland and Arcata, Calif., sued Overseas Private Investment Corp. and the Export-Import Bank of the United States. Those government agencies provide loans and insure billions of dollars of U.S. investors' money for development projects overseas. Many of the projects are power plants that emit greenhouse gases that the groups allege cause global warming.

The coalition argues that the National Environmental Policy Act, the law requiring environmental assessments of proposed development projects in the United States, should apply to the U.S.-backed projects overseas. The U.S. law should apply, they say, because those developments are contributing to the degradation of the U.S. environment via global warming.

The two government agencies claimed that U.S. environmental regulations do not apply to overseas projects, and that the courts have no right to intervene in those agencies' affairs.

Still, the judge's ruling was narrow. White did not rule whether those agencies must perform environmental assessments of projects they help fund, but simply said the groups have a right to sue. If White's decision stands, the issue of whether U.S. environmental rules apply to the projects backed by the agencies likely will be litigated, Shems said.

Shems noted that, even if he ultimately wins the case, that doesn't mean a given project would be blocked even if an environmental analysis is performed and highlights severe environmental damage it would cause.

"The first step in getting a handle on climate change is to find out what the sources are and get an inventory," he said.

The suit claims 8 percent of the world's greenhouse gases come from projects supported by the two agencies.

Linda Formella, a spokeswoman with Export-Import Bank, said the agency, which supported nearly \$18 billion in exports last year, does not comment on pending litigation. The Overseas Private Investment Corp. did not immediately return calls seeking comment.

The case is Friends of the Earth v. Watson, 02-4106.