

News
From _____

CONGRESSMAN

Nick Rahall

WEST VIRGINIA-4th DISTRICT

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RAHALL CALLS ON COAL MINERS TO MOBILIZE AGAINST REQUESTED U.S. ASSISTANCE TO VENEZUELAN COAL MINE

WASHINGTON, D.C. -- U.S. Rep. Nick J. Rahall (D-WV) today called on the Nation's coal miners to mobilize against a Venezuelan coal conglomerate's request for financial assistance to the U.S. Export-Import Bank. Coal from the mine has already been exported into U.S. markets.

"This mine, opened in 1987 by the Arco Coal Company, has already begun to infiltrate U.S. markets. It is unthinkable that an entity of the U.S. government would even consider further aggravating the already devastating unemployment levels in the coalfields by granting assistance to this Venezuelan coal mine," Rahall said. "People in mining communities need to transmit this concern to the Export-Import Bank."

Last year, the company shipped coal to Florida Power Corp. and further shipments are expected to Jacksonville Electric Authority. In addition, it was recently announced that coal from the mine will be delivered to industrial customers in the New Jersey-Pennsylvania area.

Rahall said that under a 1986 amendment he and Senator Robert C. Byrd sponsored to the Export-Import Bank Act, there is a "fighting chance that this request for assistance will be defeated." This Congressional action was prompted by the Bank's approval of \$850 million in assistance to the El Cerrejon Coal Mine in Colombia which is operated by Exxon.

"Back in 1986 I stood on the Floor of the House of Representatives and said that we must cease the shortsighted policy of the Bank in transactions such as this which are so clearly against the best interest of the Nation. I assured the Bank at the time that I would closely monitor its implementation of the legislation. Let there be no doubt that I am," Rahall said.

Under the amendment, the Bank is prohibited from providing assistance to foreign projects which in turn would export commodities to the U.S. that would compete against domestic producers and result in unemployment losses. However, Rahall believes that public pressure must be brought to bear to ensure that the Bank does not attempt to approve the assistance anyway.

"Sometimes it is really amazing how federal bureaucrats can find some loophole in a law by misinterpreting or outright ignoring it," Rahall noted.

According to the Congressman, United Mine Workers of America President Richard Trumka has already notified the Bank of the union's opposition to the proposed financing of the Paso Diablo Coal Mine in Venezuela.

Rahall said that comments on the proposal should be sent to:

Mr. Thomas A. Forbord
Vice President for Country Risk Analysis
Export-Import Bank of the United States
Washington, D.C. 20571