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° Issue Brief



Financing Browse LNG

How tightening bank policies narrow financing options for Australia's largest proposed gas development

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Methodology

SFOC analyzed Banking on Climate Chaos data for financing provided during 2021 - 2025 to Woodside Energy, BP, Mitsubishi Corporation and Mitsui & Co. 42 financial institutions were identified. SFOC subsequently reviewed publicly available oil and gas, energy and climate policies at these institutions to determine whether they would permit direct project financing for Browse LNG. Where relevant, SFOC contacted financial institutions for further clarification of their policies.

The assessment distinguishes between:

- *Project finance:* financing directly tied to the development of Browse LNG.
- *Corporate finance:* financing provided to a company, such as Woodside.

The assessment reflects policies in force as of September 2026. Bank policies and the ownership, design and financing structure of Browse may change.

1. Browse LNG and its proponents

Browse LNG is one of Australia's largest proposed gas developments led by Woodside Energy. The project proponents aim to develop the Brecknock, Calliance and Torosa gas fields and transport the gas through a 900-kilometer pipeline to the existing North West Shelf (NWS) facility for processing and export. The project would operate for up to 44 years.



Source: Woodside

In the last year alone, the ownership structure of the project has changed significantly. In June of 2026, PetroChina's 10.67% stake was bought by Woodside. Following that, BP sold off 5% to GS Energy and 5% to Osaka Gas.

1.1. New ownership structure

Entity	Stake	Notes
Woodside Energy	41.3%	Operator of the project and after its purchase of a 10.67% share of PetroChina, also majority owner.
BP	34.3%	BP agreed to sell 5% of its stake to GS Energy and 5% to Osaka Gas, subject to regulatory and joint venture approvals.

Japan Australia LNG (MIMI Browse)	14.4%	Mitsubishi and Mitsui joint venture.
GS Energy	5%	The South Korean company agreed to acquire a 5% stake from BP*.
Osaka Gas	5%	The Japanese company agreed to acquire a 5% stake from BP, will be supported by JOGMEC. Osaka Gas plans to take approximately 550,000 tonnes of LNG per year*.

*Deal not yet finalized

2. Project risks

2.1. Climate

Browse would be a major source of greenhouse gas emissions; the Brecknock, Calliance and Torosa gas fields are extremely carbon intensive. The project could produce up to 1.6 billion tonnes of CO2-equivalent emissions over its lifetime.

The project proponents propose the use of carbon capture and storage (CCS) as part of their mitigation strategy. However, the current CCS plans would only lead to a 3.9% reduction in lifetime scope 1 and 3 emissions. This CCS proposal would have a negligible climate impact, while only further increasing the project costs.

2.2. Biodiversity

Development plans indicate that approximately 54 wells would be drilled in the vicinity of Scott Reef, one of the most precious and ecologically important coral reef systems in Australian waters. Scott Reef provides habitat for numerous endangered and vulnerable marine species, including pygmy blue whales, sea turtles, and migratory seabirds. Industrial activity of this scale in such a sensitive ecosystem carries substantial ecological risk.

A recently uncovered draft letter from Western Australia's Environmental Protection Authority (EPA) is highly critical of the development proposal, saying that plans to protect endangered turtles and blue whales near Scott Reef would be ineffective.

Additionally, Woodside's own modelling indicates that a potential oil spill from the Browse fields could travel far beyond the immediate project area. Further independent spill modelling suggests contamination could reach the Kimberley coastline in Western Australia and even extend north into Indonesian waters near the Savu Sea, which contains protected marine areas. This means the environmental risks of the project are not confined to a single jurisdiction but could have transboundary ecological impacts, threatening marine ecosystems across hundreds of kilometers.

2.3. Cultural heritage

The NWS facility where Browse gas would be processed was recently granted an extension to operate until 2070, a controversial decision currently being contested in court. The NWS facility sits on Murujuga, home to one of the world's most significant collections of ancient rock art, with petroglyphs dating back tens of thousands of years. A land with particular significance to the five language groups that are considered Traditional Custodians.

Murujuga was granted UNESCO World Heritage status, recognizing its exceptional cultural significance. However, industrial emissions from nearby facilities, including the Karratha Gas Plant and associated industries powered by gas from the NWS, have been identified as a threat to the preservation of this irreplaceable cultural heritage. The Australian Environment Minister stated last year that "there are multiple lines of scientific and other evidence suggesting that nitrogen oxides (NOx), sulfur oxides (SOx), and other acidic airborne emissions are having a significant adverse impact on the rocks of Murujuga." Further extending the lifespan of these facilities through new gas developments risks exacerbating these impacts and undermining efforts to protect this globally significant site.

3. Growing financial uncertainties

Beyond the climate, environmental and cultural implications, the Browse LNG project presents considerable financial uncertainty. This was recently laid bare with the changes in the ownership structure of the project.

PetroChina bought its 10.67% stake in 2013 for US$1.63 billion. In May of 2026, it sold this same stake for US$225 million, with a US$175 million contingency payment if the project goes to FID by June 2032. At its best, this amounts to PetroChina taking a US$1.23 billion loss on its small stake, which values Browse at less than US$ 4 billion.

Also in May 2026, an economic impact assessment commissioned by Woodside estimated that total capital expenditure of the project would be at A$48.7 billion (US$35.2 billion). In the following months, BP sold off 10% of its stake, no longer making the company the largest project shareholder.

PetroChina's deal and the changes in ownership could suggest a dip in confidence while the new projected costs make Browse's LNG highly costly and likely uncompetitive.

Meanwhile, at the NWS facility, declining feedgas supply has already led to the shutdown of one of the facility's LNG processing trains, reducing the plant's capacity and highlighting the structural challenges facing the facility. If new supply does not come online soon, the 4 remaining trains are likely to shut down gradually in the coming years. For the main proponents of Browse - Woodside, BP and MIMI – who also have stakes in NWS, extending the lifespan of the aging infrastructure through new upstream developments may require high additional capital investment on top of the current US$35.2 billion, while offering uncertain long-term returns.

Taken together, these factors create a high-risk investment profile. Long-term demand for fossil fuels faces increasing policy and market pressure. A project of this scale could expose public and private financial institutions to significant cost escalation, project delays and stranded asset risk.

4. Narrowing financing options and implications

The high-risk investment profile and immense scale of investment that is needed for Browse raises a critical question: who will finance Browse?

SFOC analyzed major private financial institutions that have recently (2021-2025) supported the companies behind Browse and assessed whether those banks' current oil and gas policies would allow them to provide project finance for the development of Browse. Our analysis suggests the pool is shrinking.

Of approximately 42 key banks identified as having provided financing to Woodside, BP, Mitsubishi and Mitsui during the five-year period examined, 13 have policies that would prevent them from providing project finance for Browse LNG.

4.1. Banks' exclusion policies:

Entity	Policies	Total financing for Browse proponents (2021-2025)
ANZ	ANZ Policy on Extractive Industries	USD 567,630,000
Barclays Bank	Climate Change Statement	USD 3,948,250,000
BBVA	BBVA Environmental and Social Framework	USD 1,395,520,000
BNP Paribas	Sector Policy – Oil & Gas	USD 1,504,820,000
Commerzbank	ESG Framework	USD 880,400,000
Crédit Agricole	Group CSR Sector Policy – Oil and Gas	USD 1,314,960,000
Crédit Mutuel	Sector Policy – Hydrocarbon Sector	USD 29,630,000
HSBC	Sustainability Risk Policies Framework	USD 1,679,660,000
ING	Environmental and Social Risk Framework	USD 924,110,000
Rabobank	Sustainability Policies	USD 22,680,000
Société Générale	Oil & Gas Sector Policy	USD 22,680,000
Westpac	Climate Change Position Statement and Action Plan	USD 317,450,000
Lloyds Banking Group	Energy & extractive industries sector statements	USD 990,990,000

The findings point to a growing tension between the enormous financing needs of new LNG developments and restrictions that international banks have introduced on financing new upstream oil and gas projects.

Browse needs tens of billions of dollars in investment during a time where some of the financial institutions with established relationships with its proponents are closing the door on directly financing new oil and gas developments.

Additionally, SFOC's policy analysis has found that after Woodside's recent move to scrap its scope 3 emissions targets, three of banks in the above list are no longer able to provide corporate finance to Woodside.

5. Conclusion

A growing number of financial institutions are taking steps to restrict financing for new fossil fuel developments. SFOC's analysis of Browse shows the significance of these policies: banks that have historically financed the companies behind major oil and gas developments are increasingly limiting their ability to build new projects.

Project finance exclusions leave loopholes; institutions that exclude project finance for new fossil fuel developments while continuing to provide unrestricted corporate financing to the companies developing them, risks weakening the very transition commitments their fossil fuel policies are intended to advance.

The consequences also extend to the banks that remain. Every institution that rules out new fossil fuel project finance leaves a smaller group of potential financiers to support increasingly capital-intensive developments. Browse alone is now estimated to require upwards of USD$35 billion in capital expenditure, after years of delays and unresolved environmental and commercial challenges.

As the pool of potential financiers contracts, institutions will need to consider whether taking on exposure to such a costly and controversial new new fossil fuel development is justifiable to their shareholders.