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Press Release

Joint Statement on JBIC Governor Maeda's Remark
Japan Must Bring Complete End to Public Finance for Coal Power

Japan Center for a Sustainable Environment and Society (JACSES)
Kiko Network
Friends of the Earth Japan
Mekong Watch
350.org Japan

In an interview published by Diamond Online on April 22nd “Loudly Refutes Domestic and Foreign Criticism over ‘Coal Power Generation’ Financing, Governor of JBIC Barks”, Tadashi Maeda, Governor of the Japan Bank for International Cooperation (JBIC), stated twice, “We will no longer accept loan applications for coal-fired power generation projects.”

JBIC has continued to lend a large amount to coal-fired power generation projects, and has financed 8 coal plants since the adoption of the Paris Agreement¹. They are now considering financing for the Vung Ang 2 coal-fired power project in Vietnam. It can be said that it is just a statement in light of the situation in which JBIC does not have any more coal power projects to consider after the Vung Ang 2 project, but this is the first time the Governor of JBIC has publicly mentioned an end to coal finance.

We, who have been working to end JBIC's financial support for coal-fired power projects, have taken this remark as a strong indicator of the end of JBIC's official support for overseas coal-fired power projects. Public assistance for coal power has caused environmental pollution and human rights violations in developing countries in Southeast Asia and other parts of the world. Far from contributing to the development of people in those countries, it has imposed terrible hardships. We welcome the clear direction that JBIC will not accept loan applications for coal-fired power generation projects and will take a step towards decarbonization.

However, Governor Maeda has also stated that JBIC will continue to consider support for the Vung Ang 2 project, even though no new coal-fired power plants can be constructed in order to be consistent with the Paris Agreement goals. We therefore demand that JBIC stop considering support for the Vung Ang 2 project, and reject support for any other projects for which financing applications have already been accepted.

Furthermore, it is vital to stop the public assistance the Japan International Cooperation Agency (JICA) provides to coal plants. JICA should also clearly state that it will end all support for new coal plants, and halt support for the projects which JICA's support is currently expected for, namely the Indramayu coal-fired power project in Indonesia and the Matarbari 2 coal-fired power project in Bangladesh. Japan should put a complete end to the public support for coal-fired power projects and instead contribute towards the decarbonization of developing countries through support for renewable energy and energy efficiency.

Additionally, the government, which is lagging far behind the private sector on decarbonization policy, should also announce a clear policy to stop all support for coal power.

Contact for this statement:

Yuki Tanabe (JACSES): tanabe@jacses.org

Hozue Hatae (Friends of the Earth Japan): hatae@foejapan.org

Kimiko Hirata (Kiko Network): khirata@kikonet.org

¹ Friends of the Earth Japan (2020) https://www.foejapan.org/climate/nocoal/pdf/list_after_paris.pdf (Japanese)