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Government of Japan should decide to stop funding exports of coal power technology  
in its Infrastructure System Export Strategy

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Today, the Ministry of the Environment's Expert Fact Review Committee on Official Assistance for the Export of Coal-fired Power Projects presented its findings. Established under the direction of Japan's Environment Minister, Shinjiro Koizumi, the Committee has examined facts relating to governmental assistance for coal-fired power-related exports, in view of the government's intention to decide soon on the next version of its Infrastructure System Export Strategy, after discussions among the relevant ministries and agencies to review four conditions for government assistance for such exports. The process will be held in the context of efforts to promote global decarbonization (including coal-fired power generation) to achieve the goals of the Paris Agreement.

In its report, the Committee states that a long-term perspective is needed for government assistance relating to coal-fired power generation, due to concerns about "locking in" energy infrastructure as well as the risk of stranded assets. The report also points out that such assistance would be contrary to provisions of the Cabinet-approved Long-term Strategy under the Paris Agreement, namely, aiming for the realization of a decarbonized society and promoting the international development of infrastructure that is consistent with the long-term goals of the Paris Agreement. The report states that the Committee "arrived at a shared understanding of the importance of making a shift to provide future assistance for 'decarbonization transition solutions' that are consistent with a realistic and steady transition to a decarbonized society, and that this thinking should not be limited only to government assistance for the business sector, but also be integrated into a long-term perspective of decarbonization for our partner countries."

Meanwhile, an interim report released on May 11 by the Ad Hoc Committee on Overseas Infrastructure Development (established by the Ministry of Economy, Trade, and Industry) indicates that Japan should maintain its current approach of providing assistance for countries that have no choice other than coal-fired power generation (albeit with high efficiency technology). However, the

Ministry of the Environment's Fact Review Committee has pointed out problems with the continuation of this kind of policy.

Kimiko Hirata, Kiko Network said "the construction of new coal-fired power plants is inconsistent with the Paris Agreement, even with the use of next-generation high-efficiency technology. Coal-fired power developers face economic risks and are now expected to disclose those risks. Carbon capture and storage (CCS) technology does not appear to have any hope of being ready in time to help meet the goals of the Paris Agreement, considering cost and technological feasibility, The fact is that coal-fired power export has no future".

Hozue Hatae, Friends of the Earth Japan also said "coal-fired power generation causes air pollution and other environmental and social problems in host countries. There is growing public opposition to coal-fired power plants, and the global situation relating to energy is changing quickly. The time to discuss the conditions for government assistance for coal-fired power generation by justifying it based on technology or national circumstances is over".

At today's press conference, Minister Koizumi responded to the Fact Review Committee's findings: "The message I received is that Japan should not sell something just because someone will buy it, and should not export something unless it promotes a transition to decarbonization. In other words, we need a shift to policies that are based on the principle of decarbonization." We believe that, exactly as he recognizes, we need an immediate policy shift to no longer provide government assistance for exports related to coal-fired power generation.

In June 2020, the Cabinet is expected to adopt a framework for the next version of Japan's Infrastructure System Export Strategy. We call upon the government to adopt policies as indicated by the Fact Review Committee to stop providing government support for exports for the construction of any coal-fired power plants – whether new, already in progress, or under construction – as well as coal-fired power generation technologies. These policies should be implemented immediately.

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