

July 1, 2021

[Joint Statement]
**NGOs Strongly Condemn Decision by Japan Bank for International
Cooperation
to Support Waitisia 2 Gas Development Project in Australia**

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

On June 29, the Japan Bank for International Cooperation (JBIC), a Japanese public financial institution, announced that it has decided to provide project financing of US \$199 million to the Waitisia 2 gas extraction project in Australia [1]. The project is co-financed with Sumitomo Mitsui Banking Corporation (SMBC). We strongly condemn JBIC's decision to support the project despite the impacts of climate change getting more serious, and we urge the project developers, Mitsui Co. and Beach Energy, and the financiers, JBIC and SMBC to withdraw from the project.

Urgent action is necessary to combat climate change. It has been pointed out that currently planned fossil fuel projects are already inconsistent with the 1.5 degrees Celsius goal of the Paris Agreement [2]. In its recently published report, "Net Zero by 2050, A Roadmap for the Global Energy Sector" [3], the International Energy Agency (IEA) calls for an immediate end to financing new fossil fuel development projects to achieve net-zero emissions by 2050. Therefore, there is no room for new projects to be developed.

The G7 Summit Leaders' Statement, which was issued after the G7 summit took place on June 11-13 in Cornwall, UK, is committed to aligning international public funding with the 2050 Net Zero target, hence JBIC's support for the new fossil fuel project goes against this agreement. Since SMBC Group endorses Japan's 2050 Carbon Neutral Declaration [4], SMBC's decision to finance the project also goes against its commitment.

JBIC is currently considering supporting two other fossil fuel projects, which are the LNG Canada project in Canada and the Barossa offshore gas development project in Australia. Supporting these projects will add a significant amount of greenhouse gas emissions to the world that has already been severely affected by climate change, and undermine efforts of the international community to tackle the climate crisis. As presented in the table below, the three projects will be producing 59.17 million tons of greenhouse gas emissions every year. This represents about 4.9% of total greenhouse gas emissions produced in Japan [5].

Annual greenhouse gas emissions from the three projects (MtCO₂e = million tons of CO₂ equivalent)

	Annual emissions from production /	Annual emissions from a gas	Annual emissions when LNG	Total annual emissions from each project

	gas processing facility	liquefaction plant	produced from the project consumed [6]	
LNG Canada Annual LNG production: 14 Mtpa	N/A	2.0	37.7	39.7
Barossa Annual LNG production: 3.7 Mtpa	3.4	2.0	10.0	15.4
Waitsia 2 Annual LNG production: 1.4 Mtpa	0.3	N/A	3.77	4.07
Total emissions from three projects				59.17

Source: the proposals of each project [7]

We urge the project developers, Mitsui Co. and Beach Energy, and the financiers, JBIC and SMBC to withdraw from the project. We also call on JBIC to not provide its support for the two projects mentioned above.

[1] <https://www.jbic.go.jp/ja/information/press/press-2021/0629-014941.html>

[2] <https://productiongap.org/>

[3] <https://www.iea.org/reports/net-zero-by-2050>

[4] https://www.smfg.co.jp/news_e/e110168_01.html

[5] Total greenhouse gas emissions in FY 2019 in Japan was 1,212 million tons (CO2 equivalent).

https://www.nies.go.jp/gio/archive/nir/jqjm1000000x4g42-att/NIR-JPN-2021-v3.0_GIOweb.pdf

[6] 1 ton of LNG will produce 2.693 tons of CO2 when consumed as fuel according to 2006 IPCC Guidelines.

[7] LNG Canada:

<https://www.jbic.go.jp/ja/business-areas/environment/projects/page.html?ID=62412&lang=ja>

Barossa: https://www.jbic.go.jp/ja/business-areas/environment/projects/pdf/62018_1.pdf

Waitsia 2: https://www.jbic.go.jp/ja/business-areas/environment/projects/pdf/62572_1.pdf

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