

<STATEMENT>

JBIC and Private Banks Must Reconsider Decision to Finance LNG Canada Project
CSOs Strongly Condemn JBIC's Decision Just before COP 26 to Provide Public Finance
That Ignores Climate Crisis and Rights of Indigenous Peoples

On October 29, the Japan Bank for International Cooperation (JBIC), a public financial institution fully owned by the Government of Japan, announced in a press release that it has decided to provide up to US \$850 million for the LNG Canada Project¹.

The decision by JBIC just ahead of the 26th session of the Conference of the Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) that started on October 31 in Glasgow, Scotland, UK, goes against the call by the UK government to stop public financing for fossil fuels², and shows that Japan's approach to climate change is still out of line with the rest of the world. Japan will once again become the target of criticism from the international community. Serious violations of Indigenous Peoples have also been pointed out in a project associated with the LNG Canada project.

We strongly condemn JBIC's decision to provide financing and disregard impacts on climate change and the human rights of Indigenous Peoples, and we call on the companies and financial institutions involved to immediately withdraw from the project.

The LNG Canada project plans to liquefy shale gas extracted from Montney, British Columbia and transported through the 670 kilometer Coastal Gaslink pipeline to Kitimat. The gas would then be exported to the Asian market. Investors include Mitsubishi Corporation and Royal Dutch Shell. JBIC plans to provide \$1.85 billion in co-financing for the project with private financial institutions. It is not clear which private financial institutions are co-financing the project, but Japan's three largest banks, Mizuho Bank, Sumitomo Mitsui Banking Corporation and MUFG Bank, have already provided financing for the Coastal GasLink pipeline project, and therefore it is likely that they are also involved in the LNG Canada project.

The Paris Agreement, an international treaty on climate change, sets a goal of limiting global average temperature increase to 1.5 degrees Celsius, and to achieve this goal, global greenhouse gas emissions must be reduced to net zero by 2050. A report released in May by the International Energy Agency (IEA) called for an immediate halt to new investment in

¹ Japan Bank for International Cooperation, “カナダにおける LNG カナダプロジェクトに対する開発資金を融資 日本のエネルギー資源確保に貢献” (Japanese) October 29, 2021
<https://www.jbic.go.jp/ja/information/press/press-2021/1029-015352.html>

² Chloé Farand, “UK seeks alliance to end public finance for coal, oil and gas projects overseas”
<https://www.climatechangenews.com/2021/10/01/uk-seeks-alliance-end-public-finance-coal-oil-gas-projects-overseas/> Climate Change News, October 1, 2021

all fossil fuels to achieve net-zero emissions by 2050³, making it clearer than ever that we need to end public finance for fossil fuels. In addition, the LNG Canada project is scheduled to start operating from 2024 for 40 years, meaning that it will produce liquified natural gas (LNG) after 2050. This is a clear violation of the Paris Agreement.

In addition to its climate impacts, serious human rights violations against Indigenous Peoples have been reported in an associated project of the LNG Canada project, the Coastal GasLink pipeline project. The Coastal GasLink Pipeline Company is now pushing ahead with construction, ignoring the rights of the Wet'suwet'en First Nation. The Wet'suwet'en, who are directly affected by Coastal GasLink, have never given up their land, and in 1997 the Supreme Court of Canada ruled that the ownership and use of land belong to Indigenous Peoples (Delgamuukw case)⁴.

On December 13, 2019, the UN Committee on the Elimination of Racial Discrimination adopted a resolution calling on the federal government to immediately halt the Coastal GasLink pipeline project, the Trans-Mountain pipeline project, and construction of the Site C Dam, until "Free, prior and informed consent (FPIC)" has been obtained⁵. In other words, it has been pointed out internationally that FPIC has not been obtained for Coastal GasLink, associated with the LNG Canada project, and JBIC's decision to finance the project clearly violates JBIC's Guidelines for Confirmation of Environmental and Social Considerations, which require that FPIC be obtained from Indigenous Peoples prior to financing.

The Equator Principles, which are signed by private banks, also call for projects to obtain FPIC from Indigenous Peoples and to comply with "the rights and protections for Indigenous Peoples contained in relevant national law, including those laws implementing host country obligations under international law." The decision to provide financing for this project clearly goes against this. The Wet'suwet'en and more than 100 other organizations around the world submitted a request letter on October 19 to investors and financial institutions, including Japan's three largest banks, calling on them to divest from and stop financing the Coastal GasLink pipeline project and the LNG Canada project⁶.

³ International Energy Agency, "Net Zero by 2050: a Roadmap for the Global Energy Sector" <https://www.iea.org/reports/net-zero-by-2050> May 18, 2021

⁴ Jon Hernandez, "'We still have title': How a landmark B.C. court case set the stage for Wet'suwet'en protests", <https://www.cbc.ca/news/canada/british-columbia/delgamuukw-court-ruling-significance-1.5461763>, CBC News, Feb 13, 2020

⁵ Committee on the Elimination of Racial Discrimination, "Prevention of racial discrimination, including early warning and urgent action procedure" https://tbinternet.ohchr.org/Treaties/CERD/Shared%20Documents/CAN/INT_CERD_EWU_CAN_9026_E.pdf?_ga=2.171294304.1158930249.1618324061-1016472279.1618324061 December 13, 2019

⁶ "Indigenous-led campaign, endorsed by 100+ groups, urges global investors and banks to divest from and stop financing Coastal GasLink and LNG Canada; Financing violates racial justice commitments and reconciliation; Campaign builds on TMX campaign that saw 16 insurers drop the project" <https://static1.squarespace.com/static/5c51ebf73e2d0957ca117eb5/t/616e48f02d0094632c4c290a/1634617585249/211005-+Divest+from+Coastal+GasLink+Press+Release+-+Canada.pdf> The Gidimt'en Checkpoint, October 19, 2021

We strongly urge JBIC and the private financial institutions involved in the project to immediately withdraw their financing to the project, and urge Mitsubishi Corporation to withdraw from the project.

LIST OF SIGNATORIES:

This statement is signed by 93 organizations, including those working at international and regional levels plus organizations working nationally in 30 countries.

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

Cas Yikh (Gidimt'en Clan, Wet'suwet'en Nation)	Wet'suwet'en Nation
Canadian Association of Physicians for the Environment	British Columbia, Canada
SOS territoire	Canada / British Columbia
Accompagnement Mieux-Être	Canada
CADET	Canada
Climate Strike Canada	Canada
David Suzuki Foundation	Canada
Democracy Watch	Canada
Eau secours	Canada
Environnement Vert Plus	Canada
Festival des Technologies vertes de Montréal	Canada
Fondation Rivières	Canada
Friends of the Earth Canada	Canada
Gulf Islands Front Lines	Canada
Les oubliés de l'autobus	Canada
Mouvement Citoyen LittOralement Inacceptable (MCLI)	Canada
Mouvement d'éducation populaire et d'action communautaire du Québec	Canada
My Sea to Sky	Canada
Nature Québec	Canada
Prosperité sans Pétrole	Canada
RAVEN (Respecting Aboriginal Values and Environmental Needs)	Canada (QC)

Sustainabiliteens Vancouver	Canada Québec
The Climate Reality Project Canada	Canada, Québec
Wilderness Committee	Canada/Québec
NON à une marée noire dans le Saint-Laurent	Québec, Canada
La CEVES	Montreal, Quebec, Canada
Citoyens au Courant	Vaudreuil-Soulanges, Canada
Tierra Nativa / At Argentina	Argentina
Asian Peoples' Movement on Debt and Development (APMDD)	Asia
Australian Conservation Foundation	Australia
Friends of the Earth Australia	Australia
Jubilee Australia	Australia
Bangladesh Environmental Lawyers Association	Bangladesh
Amigos da Terra Brasil / Foe Brazil	Brazil
Fundacion Chile Sustentable	Chile
COECOCEIBA - FoE Costa Rica	Costa Rica
NOAH - Friends of the Earth Denmark	Danmark
Friends of the Earth Europe	Europe
Just Finance International	Europe
Masn ystävät ry/ Friends of the Earth Finland	Finland
Les Amis de la Terre / Friends of the Earth France	France
Reclaim Finance	France
The Greens Movement of Georgia/FoE Georgia	Georgia
GegenStroemung – INFOE e. V.	Germany
urgewald	Germany
AbibiNsroma Foundation	Ghana/Africa
Alliance for Empowering Rural Communities	Ghana
Growthwatch	India
Trend Asia	Indonesia
WALHI	Indonesia
EarthRights International	International
Friends of the Earth International	International
International Accountability Project	International
Market Forces	International

Pacific Asia Resource Center (PARC)	Japan
Women's Democratic Club/femin	Japan
原子力規制を監視する市民の会	Japan
市民外交センター (Shimin Gaikou Centre-Citizens' Diplomatic Centre for the Rights of Indigenous Peoples)	Japan
日本国際ボランティアセンター	Japan
武器取引反対ネットワーク (NAJAT) / Network Against Japan Arms Trade	Japan
Sahabat Alam Malaysia (Friends of the Earth Malaysia)	Malaysia
Oyu Tolgoi Watch	Mongolia
Rivers without Boundaries Coalition	Mongolia
Pro Public/ FoE Nepal	Nepal
BankTrack	Netherlands
Both ENDS	Netherlands
Recourse	Netherlands
Pakistan Fisherfolk Forum	Pakistan
Alyansa Tigil Mina	Philippines
Center for Energy, Ecology, and Development (CEED)	Philippines
Cordillera Peoples Alliance	Philippines
Legal Rights and Natural Resources Center - Friends of the Earth Philippines	Philippines
Protect VIP Campaign Network	Philippines
WomanHealth Philippines	Philippines
Women's Development Center, Inc.	Philippines
groundWork/Friends of the Earth South Africa	South Africa
350 South Asia	South Asia
Solutions for Our Climate (SFOC)	South Korea
Amigas de la Tierra	Spain
Centre for Environmental Justice	Sri Lanka
Jordens Vänner/Friends of the Earth Sweden	Sweden
Healthy Public Policy Foundation	Thailand
Climate Watch Thailand	Thailand/Southeast Asia
corner house	united kingdom

Friends of the Earth England, Wales and Northern Ireland

United Kingdom

Friends of the Earth US

United States

Oil Change International

United States

Rainforest Action Network

US

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