

July 16, 2021

Joint Statement:

**Japan must not be allowed to violate the G7 Leaders' Statement
- Supporting new Coal Plants in Indonesia and Bangladesh goes against
the Agreement -**

In response to the G7 Cornwall Summit Leaders' Statement, the Japanese government revised its policy on providing support for overseas coal-fired power projects on June 17, stating to "end new direct international government support for unabated coal-fired power generation by the end of 2021" (*1). Nevertheless, the Japanese government is determined to exclude from this new policy the new yen loans for the main construction of the Indramayu coal-fired power project (Indonesia) and the Matarbari coal-fired power project Phase 2 (Bangladesh) through the Japan International Cooperation Agency (JICA). We, 120 civil society organizations from 25 countries, strongly condemn such determination by the Japanese government.

The fact that the Japanese government is violating the contents of the G7 Leaders' Statement was confirmed when a Japanese civil society organization checked with the Ministry of Foreign Affairs (MoFA) whether the policy applies to the aforementioned 2 projects (*2). According to MoFA's response, the 2 projects are already in the process of being implemented and are not considered as new projects, thus are excluded from the scope of the G7 Leaders' Statement.

However, in some cases in the past, MoFA has interpreted projects that are "in process for implementation" as "new projects" and has decided to stop such new projects. For example, when official development assistance (ODA) for Vietnam and Indonesia were suspended due to corruption issues, the adoption of new projects suspended (*3). Currently, the Japanese government is continuing to disburse loans for the engineering service in Indramayu and is conducting a preparatory survey for Matarbari 2. It is inconsistent for the Japanese government to exclude these 2 projects from the new policy by stating that they are not "new" because they are "in process for implementation."

Also, for both projects, the main construction has not started and the loan for construction has not yet been adopted. As such, it is feasible enough to not provide these types of support in the future, in other words, to end direct support for coal-fired power generation

by the end of 2021.

The G7 Leaders' Statement is committed to aligning international public finance with the net-zero by 2050 goal, hence supporting the construction of new coal-fired power plants goes against this agreement. Japan's biased logic described above is unacceptable in the international community. Inevitably, Japan will once again be criticized on the global stage, such as at this year's G20 and COP26, for undermining global decarbonization efforts.

Therefore, the Japanese government should review the interpretation of "new" support in the G7 Leaders' Agreement and state that it will not adopt an ODA loan for the main construction of Indramayu and Matarbari 2 coal-fired power projects.

Footnotes:

*1: <http://www.kantei.go.jp/jp/singi/keikyou/dai51/siryous3.pdf> (in Japanese)

*2: JACSES contacted MoFA on June 14 and the MoFA responded on June 25.

*3: MoFA, "Further efforts by both Japan and Vietnam to prevent fraudulent corruption over Official Development Assistance (ODA) projects"

https://www.mofa.go.jp/mofaj/press/release/press4_001075.html

MoFA, "Efforts of both Japan and Indonesia to prevent fraudulent corruption over official development assistance projects"

https://www.mofa.go.jp/mofaj/press/release/press4_001695.html

LIST OF SIGNATORIES

This letter is signed by 120 organizations, including those working at international and regional levels plus organizations working nationally in 25 countries.

INITIAL SIGNATORIES

Japan Center for a Sustainable Environment and Society (JACSES)

Kiko Network

Friends of the Earth Japan

350.org Japan

Mekong Watch

BANGLADESH ORGANISATIONS

350.org Bangladesh
Bangladesh Environmental Lawyers Association
Bangladesh Poribesh Andolon (BAPA)
Bangladesh Working Group on External Debt (BWGED)
Bindu
Center for Participatory Research and Development-CPRD
CLEAN (Coastal Livelihood and Environmental Action Network)
Greenfield Livelihood and Services (GLS)
Integrated Social Development Effort(ISDE) Bangladesh
Lawyers For Energy, Environment & Development(LEED)
Mongla Nagorik Shamaj
Paribartan, Rajshahi
Songshoptaque

INDONESIAN ORGANISATIONS

350.org Indonesia
AEER (Action for Ecology & People Emancipation)
Auiriga
Greenpeace Indonesia
JATAYU INDRAMAYU
Kanopi hijau Indonesia
KARBON (Koalisi Rakyat Bersihkan Cirebon)
KRuHA - people's coalition for the right to water
Lembaga Bantuan Hukum Bandung
Mining Advocacy Network (JATAM) Indonesia
Paguyuban Bale Rahayat
REKAPALA
Swadaya Muda
Trend Asia
WALHI - Friends of the Earth Indonesia
WALHI Jawa Barat (West Java)

JAPANESE ORGANISATIONS

350 New ENeration
350 Shizuoka Network
350Japan Chushikoku Network

Advocacy committee, Nagoya NGO Center
CCLJ
Citizen's Climate Lobby Japan
Friday For Future Kyoto
Fridays For Future Tokyo
Fridays For Future Niigata
Fridays For Future Saitama
Fridays For Future Sapporo
Fridays For Future Sendai
Fridays for future yamaguchi
Fridays For Future Dazaifu
going my way+
Greenpeace Japan
Japan International Volunteer Center
Japan Tropical Forest Action Network (JATAN)
Kushiro Citizens' Association Against Coal Fire
Network for Indonesian Democracy, Japan (NINDJA)
No Nukes Asia Forum Japan
ODA Reform Network, Kansai
Pacific Asia Resource Center (PARC)
Peoples power network
Save the Earth! Action 97
Womens Democratic Club

REGIONAL AND/ OR INTERNATIONAL LEVEL ORGANISATIONS

350.org
Recourse
Fair Finance International
Friends of the Earth International
Rainforest Action Network
Rivers without Boundaries
350Africa.org
350.org America Latina
350.org Asia
350 Pacific
Asian Peoples' Movement on Debt and Development (APMDD)

Friends of the Earth Asia Pacific
Fund Our Future
NGO Forum on ADB
OXFAM
Society for Participatory Education and Development (SPED)
Spirit in Education Movement (SEM)

OTHER ORGANISATIONS

350 Australia, Australia
Friends of the Earth Australia, Australia
Market Forces, Australia
11.11.11, Belgium
Friends of the Earth Canada, Canada
Just Finance/VedvarendeEnergi, Denmark
NOAH-Friends of the Earth Denmark, Denmark
CESTA, FoE El Salvador, El Salvador
Friends of the Earth France / Les Amis de la Terre, France
The Greens Movement of Georgia/FoE Georgia, Georgia
urgewald, Germany
AbibiNsroma Foundation, Ghana
Sustainable Development Institute (SDI), Liberia
Sahabat Alam Malaysia (Friends of the Earth Malaysia), Malaysia
Oyu Tolgoi Watch, Mongolia
SOBREVIVENCIA, Amigos de la Tierra Paraguay, Paraguay
350 Pilipinas, Philippines
Asian Energy Network (AEN), Philippines
Center for Energy, Ecology and Development, Philippines
Center for Environmental Concerns - Philippines Inc., Philippines
Cordillera Peoples Alliance, Philippines
Kalikasan People's Network for the Environment (Kalikasan PNE), Philippines
Legal Rights and Natural Resources Center, Philippines
People of Asia for Climate Solutions, Philippines
Philippine Movement for Climate Justice, Philippines
WomanHealth Philippines, Philippines
Women's Development Center, Inc., Philippines
Korea Federation for Environmental Movements(KFEM), Republic of Korea

Solutions for Our Climate (SFOC) , Republic of Korea
Centre for Environmental Justice, Sri Lanka
Jordens Vanner/ Friends of the Earth Sweden, Sweden
350 Taiwan, Taiwan
Climate Watch Thailand, Thailand
Ecological Alert and Recovery -Thailand (EARTH), Thailand
Healthy Public Policy Foundation, Thailand
Both ENDS, The Netherlands
Christian Aid, UK
Corner House, UK
350US, United States
Friends of the Earth United States, United States
Mighty Earth, United States
NRDC (Natural Resources Defense Council), United States
Oil Change International, United States

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