<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 Project.

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 fuels, 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

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 2050\(^3\), 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 obtained\(^5\). 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 project\(^6\).

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\(^6\) "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](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.
(Updated on November 12: This statement is signed by 95 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 Rivieres  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
Prospérité sans Pétrole  Canada
RAVEN (Respecting Aboriginal Values and Environmental Needs)  Canada (QC)
Sustainabilitéens Vancouver  Canada Québec
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原子力規制を監視する市民の会

市民外交センター（Shimin Gaikou Centre-Citizens’ Diplomatic Centre for the Rights of Indigenous Peoples）

日本国際ボランティアセンター

武器取引反対ネットワーク（NAJAT）/ Network Against Japan Arms Trade

Sahabat Alam Malaysia (Friends of the Earth Malaysia)

Oyu Tolgoi Watch

Rivers without Boundaries Coalition

Pro Public/ FoE Nepal

BankTrack

Both ENDS

Recourse

Pakistan Fisherfolk Forum

Alyansa Tigil Mina

Center for Energy, Ecology, and Development (CEED)

Cordillera Peoples Alliance

Legal Rights and Natural Resources Center - Friends of the Earth Philippines

Protect VIP Campaign Network

WomanHealth Philippines

Women's Development Center, Inc.

groundWork/Friends of the Earth South Africa

350 South Asia

Solutions for Our Climate (SFOC)

Amigas de la Tierra

Centre for Environmental Justice

Jordens Vänner/Friends of the Earth Sweden

Ecological Alert and Recovery - Thailand

Healthy Public Policy Foundation

Climate Watch Thailand

corner house

Friends of the Earth England, Wales and Northern Ireland

Friends of the Earth US

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