

Mr. Shinzo Abe, Prime Minister of Japan
Mr. Hiroshige Seko, Minister of Ministry of Economy, Trade and Industry
Mr. Taro Aso, Minister of Finance
Mr. Taro Kono, Minister of Foreign Affairs

Urgent Petition No to Japanese Nuclear Exports Using Public Money

Horizon Nuclear Power, a wholly owned subsidiary of Japanese electronics giant Hitachi Ltd., is attempting to construct a 2.7 gigawatt nuclear power plant in Wylfa, on the scenic and historic island, Anglesey, Wales, in the United Kingdom. The project cannot proceed without public financial support, and the Government of Japan is orchestrating an “all-Japan” support system to secure its financing, backed up by public money¹.

We, the undersigned, express our strong opposition to the use of public funds for this project specifically, and nuclear exports in general.



Your Name	Address (Personal information is only used for the purpose of this petition)

Petition organizer:
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- Deadlines
1. March 31, 2018
 2. April 30, 2018
 3. May 31, 2018

1. It is not acceptable to transfer this huge risk to the public

Chairman Hiroaki Nakanishi of Hitachi Ltd. said, “The UK government, Japanese governments and Hitachi all share the view that this project is impossible without government commitments,” and admitted that it would be difficult to pursue as a private sector project².

Apart from accidents, other possible risks in with nuclear power are enormous, such as an escalation of costs and challenges with safety, security, construction, tighter regulations, public opposition, and the processing of radiative waste, etc.. Taking account these risks, the companies and banks should not continue the projects.

“Moral hazard” occurs when someone increases their exposure to risk when insured. The Wylfa project proponents are preparing to take more risks because the government is setting the public up to bear the cost of those risks while they are making a profit, which is unacceptable.

¹ Hitachi’s nuclear power business in the UK: Supported by the UK and Japanese governments. If fails, the public will be held responsible, The Asahi Shimbun, January 11 2018

² Hitachi to construct a nuclear power station in the UK: Active involvement of Japanese and UK governments is a must, said Chairman-elect of the Keidanren Federation of Economic Organization, 13 February, 2018. (<https://jp.reuters.com/article/hitachi-uk-nuclear-idJPKBN1FX007>, in Japanese)

2. No real safety assurance in public financing of nuclear exports

The Government of Japan has guidelines to verify the safety of operations in the case of nuclear exports supported by public financing. However, the procedures are merely a formality, checking off yes or no against a list of items, such as if the recipient country is a member of a treaty, or if some kind of regulatory system is in place. There is no effort to confirm the safety of the actual project. Furthermore, the Japanese public receives no concrete information about what the government has done to verify safety, only a general summary after a decision.

Meanwhile, JBIC and NEXI, the main bodies to provide government-backed financing and insurance for nuclear exports, maintain that any confirmation of safety should be done by the government; so JBIC and NEXI claim not to be in a position to do so. In fact, they do have and implement “Guidelines for Environmental Social Considerations” to avoid environmental destruction or infringement of human rights in other international projects.

In terms of the nuclear power projects, a new guideline was formulated in 2017. However, the scope of new guidelines is limited to the “information disclosure.” If the current guidelines are employed, both the government and public financing and insuring institutions, such as JBIC/NEXI, could provide public financing and insure risky nuclear power projects without assuring safety.

3. The age of nuclear exports is over

The catastrophic social, environmental and financial impacts of the disaster at TEPCO’s Fukushima Daiichi Nuclear Power Plant are still ongoing and details about the cause of the accident and subsequent incidents remain unclear. The costs of decommissioning the defunct nuclear power facilities and dealing with contamination and compensation have swollen to 21.5 trillion yen by government estimates. Many residents of the affected region have lost their homes and are still facing very difficult circumstances. Public opinion in Japan strongly favors an end to nuclear power, and more than half of the public opposes the idea of nuclear exports³.

Meanwhile, in global trends renewable energy has made significant progress and costs have dropped, while energy-saving technologies have also improved significantly.

Many countries have turned the corner and rejected nuclear power. For example, in 2016 Vietnam abandoned plans to build its first two nuclear plants (proposed by Japan and Russia) largely on the grounds that nuclear power is not economically competitive.

In this context, why is the Japanese government planning to commit the public’s money to promote nuclear exports? This is the wrong direction, for logical and economic reasons. Moreover, there has not been sufficient public and parliamentary discussion in Japan about nuclear exports. It is not acceptable to commit public funds where they will only benefit a limited number of corporations.

Japan still has much to learn from the Fukushima nuclear accident. What the government needs to promote with public resources are sound programs and technologies that will phase out nuclear and promote sustainable society.

Background⁴

Of the currently estimated project cost of 3 trillion yen, half is expected from loans and half from investments. Three Japanese megabanks (Bank of Tokyo-Mitsubishi UFJ, Sumitomo Mitsui Banking Corp, Mizuho Bank,) are expected to lend 500 billion yen. But those loans are to be guaranteed by the government-owned Nippon Export and Investment Insurance (NEXI). The government-owned Japan Bank for International Cooperation (JBIC) and UK commercial financial institutions are expected to extend the remaining trillion yen in loans.

For the investment portion, the Development Bank of Japan (DBJ) is expected to be a major investor. It is solely owned by the Government of Japan. Meanwhile, the government is strongly encouraging Japan’s electric power utilities to invest in the Wylfa project, including Tokyo Electric Power Corporation (TEPCO), which owns the damaged Fukushima nuclear plant, and whose majority shareholder is the government-backed Nuclear Damage Compensation and Decommissioning Facilitation Corporation. Also, local governments are among the largest shareholders in Japan’s power utilities.

CC:

Mr Akira Kondoh, Governor, Japan Bank for International Cooperation (JBIC)

Mr Kazuhiko Bando, Chairman and CEO, Nippon Export & Investment Insurance, (NEXI)

Mr. Toshiaki Higashihara, President & CEO, Hitachi Ltd.

Mr Kanetsugu Mike, President & CEO, Bank of Tokyo-Mitsubishi

Mr Koji Fujiwara, President & CEO, Mizuho Bank, Ltd.

Mr Makoto Takashima, President and Chief Executive Officer, Mitsui Sumitomo Banking Corporation

³ 16 June 2013, “58% do not support nuclear power export, 24% support,” Jiji Opinion Poll

<http://jp.wsj.com/articles/SB10001424127887323504304578548021311724266>

⁴ Much of this information is from <https://mainichi.jp/english/articles/20180103/p2a/00m/0na/004000c>
<https://mainichi.jp/articles/20180103/k00/00m/020/098000c>