Joint Press Statement:

NGOs call on President Biden and Prime Minister Suga to take strong leadership on ending public support for coal, oil and gas at the U.S.-Japan Summit

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The Japanese government announced that the first in-person U.S.-Japan summit between U.S. President Joe Biden and Japanese Prime Minister Yoshihide Suga will be held on April 16 in Washington D.C. (%1). We, as environmental NGOs based in the U.S. and Japan, call on President Biden and Prime Minister Suga to take strong leadership on ending public support for coal, oil and gas expansion projects which do not align with the 1.5 degrees Celsius goal.

Recognizing the importance of the issue, both leaders of the U.S. and Japan have made commitments to tackle climate change. In the U.S., President Biden's executive order states "...to identify steps through which the United States can promote ending international financing of carbon-intensive fossil fuel-based energy while simultaneously advancing sustainable development and a green recovery (%2)." In Japan, Prime Minister Suga committed to cutting greenhouse gas emissions to zero by 2050 and achieve a carbon-neutral society (%3).

According to the World Energy Outlook 2020 released by the International Energy Agency (IEA) in October 2020, if all existing fossil fuel energy infrastructure and power plants currently under construction were to be used in similar ways as in the past until the end of their lifetimes, the emissions would lead to a 1.65 degrees Celsius increase in global average temperatures by 2070 (%4). Therefore, it is crucial that President Biden and Prime Minister Suga ensure that their policy on official financial support for the energy sector is consistent with the Paris Agreement's 1.5 degrees Celsius goal.

In particular, the key opportunities for both countries to take leadership on the efforts to combat climate change are the Asian Development Bank's (ADB) Energy Policy Review and the Organisation for Economic Cooperation and Development's (OECD) Coal-Fired Electricity Generation Sector Understanding (CFSU) Revision. Both the U.S. and Japan, as two of the largest shareholders of ADB and as countries with the largest gross domestic product (GDP) in the OECD, should promise to urge other member countries of ADB and OECD to declare a

policy to withdraw financial support for coal, oil and gas expansion projects which do not align with the 1.5 degrees Celsius goal.

Kate DeAngelis, International Finance Program Manager, Friends of the Earth U.S. states, "For decades Japan and the U.S. have propped up fossil fuel projects all over the world with devastating impacts on local communities and the climate. It is time for both countries to turn their backs on their polluting pasts and become true climate leaders by immediately ending all support for fossil fuel projects overseas."

Yuki Tanabe, Program Director, Japan Center for a Sustainable Environment and Society (JACSES) says that "Although the Japanese government committed not to finance overseas coal-fired power projects in principle, the government is currently considering to support the Matarbari coal-fired power plant Phase 2 project (Matarbari 2) in Bangladesh and the Indramayu coal-fired power plant project (Indramayu) in Indonesia, both for which the Japan International Cooperation Agency (JICA) is expected to receive requests for support. President Biden needs to urge Prime Minister Suga that Japan rules out support for all coal-fired power projects including Matarbari 2 and Indramayu."

Bronwen Tucker, Research Analyst at Oil Change International says, "Gas is not clean, cheap, or necessary, and so Biden and Suga must stop treating it like a bridge fuel. The world is watching and waiting for them to end public finance for fossil fuels once and for all. This money is needed to support renewables and a just transition for workers and communities dependent on fossil fuel production instead."

Naruhito Sugiura, Public Finance Campaigner at Friends of the Earth Japan states, "When there is certainly no room for new fossil fuel projects, the Japan Bank for International Cooperation (JBIC) is now considering financing LNG projects in Canada and Australia - the LNG Canada export terminal project and the Barossa area development offshore project. These projects will not only impact our climate but will also severely damage the local environment and violate rights of local indigenous peoples. They should not even consider financing them when local people have not given their consent yet."

Eri Watanabe, 350.org's Japan Finance Campaigner says, "Japanese private banks are the top lenders in the global coal industry, while U.S. banks are the world's four biggest lenders and underwriters to the fossil fuel industry since the Paris Agreement. If we are going to limit warming of the Earth to 1.5 degrees, both Japan and the US must work together to end fossil finance. President Biden should call on Japan's government to rule out dirty energy by introducing strong, clear policies that align with their own carbon neutrality pledge, and to upgrade their nationally determined contributions to the 1.5 degrees goal."

Footnotes:

%1: <u>https://japan.kantei.go.jp/tyoukanpress/202104/2_a.html</u> (Press Conference by the Chief Cabinet Secretary, 00:36)

X2:

https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/27/executive-order-on-ta ckling-the-climate-crisis-at-home-and-abroad/

X3:

https://www.reuters.com/article/uk-japan-politics-suga/japan-aims-for-zero-emissions-carbon-ne utral-society-by-2050-pm-idUKKBN27B0C7

%4: International Energy Agency (IEA), (2020), *World Energy Outlook 2020*, pp. 102, IEA, Paris,

https://www.iea.org/reports/world-energy-outlook-2020/achieving-net-zero-emissions-by-2050.

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