

Press Release

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New Report: Japan's LNG Financing Destroys Communities and Climate

TOKYO - For the first time, a coalition of civil society organizations working with local communities launched a new [report](#) today revealing how the Japan Bank for International Cooperation (JBIC) is bankrolling climate catastrophe and human rights abuses through its aggressive financing of fossil gas projects around the world.

The report, "Faces of Impact: JBIC and Japan's LNG Financing Harms Communities and the Planet," and accompanying [website](#) documents case studies from Australia, Bangladesh, Canada, Indonesia, Mozambique, the Philippines, Thailand, the United States, and Vietnam, exposing a pattern of environmental destruction, displacement of communities, and violations of Indigenous rights.

Key findings:

- Since 2016, JBIC has provided a staggering \$18.6 billion to fossil gas expansion - four times more than Japan's contribution to the Green Climate Fund.
- JBIC provided \$3.9 billion in fossil fuel financing after the end of 2022, violating Japan's G7 commitment to end direct public support for overseas fossil fuel projects.
- There is a pattern of harm and destruction in JBIC-financed gas projects, and communities have conveyed to the bank that it is violating its own "Guidelines for Confirmation of Environmental and Social Considerations." JBIC continues financing these projects, including announcements this year to support the Scarborough gas project in Australia and the Block B - O Mon gas project in Vietnam.

Country Findings:

- **Australia:** Earlier this year, JBIC financed \$1.8 billion for the Scarborough gas project which has failed to gain the free, prior and informed consent of Indigenous people on whose land and sea country the project would take place.
- **Bangladesh:** Japan helped draft Bangladesh's Integrated Energy and Power Master Plan, leading the country to rely largely on LNG and other fossil fuels. Communities are unable to afford electricity generated from LNG.
- **Canada:** Land defenders have faced militarized violence in **Canada** where LNG developments are proceeding without the consent of Indigenous peoples, despite Canadian law recognizing their sovereignty.
- **Indonesia:** Fisherfolk have seen a drop in their net profits, some days down to one-tenth of what it used to be, due to the development of an LNG project and the entry restrictions placed on surrounding waters.
- **Mozambique:** At least 550 families were displaced for an LNG project backed by \$3.5 billion from JBIC that is situated in a conflict-torn region and has been linked to human rights abuses of civilians.

- **Philippines:** A JBIC-financed LNG terminal threatens the "Amazon of the Oceans," endangering over 300 coral species and the livelihoods of 2 million people.
- **Thailand:** An LNG import terminal that feeds gas into two JBIC-financed gas power plants has destroyed local biodiversity, an important source of food and resource for the local economy. There has been no compensation for the local communities.
- **United States:** There have been 67 incidents of hazardous substance leaks in Cameron LNG, and an explosion at Freeport LNG released about 3,400 cubic meters of methane; both are JBIC-backed LNG projects.
- **Vietnam:** JBIC is financing **Vietnam's** largest gas project, the Block B - O Mon Gas-to-Power Project Chain, while the Vietnamese government silences environmental defenders by imprisoning them.

The report highlights how JBIC's fossil gas financing contradicts the Paris Agreement's 1.5°C goal and undermines Japan's own climate commitments. It calls on the Japanese government and JBIC to immediately halt all financing for new fossil fuel projects, in line with Japan's G7 commitments, and redirect funds in the form of grants to support a just energy transition in the Global South based on the needs of communities.

The report comes as global protests against Japanese fossil gas financing are gaining momentum. It urges JBIC and the Japanese government to listen to affected communities, respect their international commitments, and immediately cease financing fossil gas projects overseas.

Alongside the report the Fossil Free Japan coalition also launched a [website](#) with stories, images, and videos from the nine countries.

The report follows a [people-led petition](#) launched in April, calling on Japan to stop harming communities. The petition has since gathered over 6,000 signatures.

Download the report [here](#).

Access the website [here](#).

Quotes:

"The Japanese government and JBIC continue to finance new fossil gas projects worldwide, claiming they will foster development. However, as vividly demonstrated in the report, the reality is quite the opposite. Communities are facing severe health impacts, loss of livelihoods, declining marine biodiversity, rising electricity costs, and even security threats, among other challenges. Japan and JBIC must publicly commit to not financing new fossil gas projects, without any exceptions." Hiroki Osada, Friends of the Earth Japan

"JBIC has poured 18.6 billion dollars towards gas financing since the Paris Agreement. Japan clearly has money to shift towards supporting a full, fast, fair, and funded fossil fuel phase-out. It is time for rich countries like Japan to pay up and take responsibility for its contribution to the climate crisis, instead of continuing gas expansion that worsens climate change, and harms communities and ecosystems." Makiko Arima, Oil Change International

“JBIC’s LNG investment in the Verde Island Passage is a blatant violation of its supposed commitment to sustainability. The Bank’s own rules are nothing but lip service when it comes to its continued LNG import terminal investment in the Verde Island Passage. The project has irreversibly damaged marine and coastal ecosystems and disrupted the livelihoods of local fisherfolk. It has a confirmed violation against Philippine law on land conversion. The Bank’s inaction to address these issues pushed local communities to file a complaint demanding accountability. This is a real-world example of JBIC’s failure to uphold its own rules. It’s time for JBIC to be held accountable and withdraw from fossil fuel financing.” Gerry Arances, Center for Energy, Ecology, and Development

“The human rights violations associated with Mozambique LNG project are monstrous. Resettlement of communities has been conducted with appalling attention to the safety and well-being of families, and many are now left destitute. Military personnel associated with the project are accused of severe abuses of civilians, and the project has worsened regional security at the cost of our people. Does JBIC recognize the full cost of the project it is supporting?” Anabela Lemos, Justiça Ambiental! (Mozambique) (Ms. Lemos is an honored recipient of the 2024 Right Livelihoods award)

“The message I have for the people of Japan, and banks of Japan is this: We are in a global crisis that affects all of us. The truth is, we cannot afford to continue down the path to more fossil fuel dependency. This path has created massive wealth for a few companies on the backs of so many people. There is a better way forward, one that does not inflict suffering or create sacrifice zones, and we must collectively take this path.” James Hiatt, founder of the community-based organization For A Better Bayou (USA)

Note to editor:

A webinar on the report will be held on October 18th at 6:00 pm JST (GMT+9): [Register here](#)

Organizational support provided by:

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