

February 20, 2026

**Joint Statement**

**The Japanese Government Must Not Provide Public Financial Support for U.S. Fossil Fuel Infrastructure as a Bargaining Chip for Trump**

29 Civil society organizations in Japan, the United States, and beyond express deep concern that fossil fuel projects are included in the first tranche of Japan's investment and financing package to the United States, announced on February 18 (JST) by President Trump as an achievement of the so-called "Trump tariffs." We call on the Government of Japan, the Japan Bank for International Cooperation (JBIC), and Nippon Export and Investment Insurance (NEXI) to immediately withdraw consideration of support for these fossil fuel projects.

The first tranche reportedly includes one of the world's largest gas-fired power plants to-be in Ohio (9.2 million kilowatts) and a crude oil export terminal in Texas. These projects run counter to the essential global objective of "transitioning away from fossil fuels," which is indispensable to avoiding the climate crisis. In the U.S. Gulf Coast region, numerous fossil fuel projects financed by Japanese public and private institutions have already caused environmental damage and human rights violations in local communities. The new investment package risks compounding these harms. Moreover, future changes in U.S. administrations and policy direction could render such fossil fuel infrastructure "stranded assets."

Citizens in both Japan and the United States have clearly voiced opposition to such fossil fuel expansion. For example, regarding the Alaska LNG project, more than 150 organizations worldwide issued an open letter urging that public support should not be granted to environmentally destructive projects in response to pressure from the Trump administration<sup>1</sup>. As the climate crisis intensifies and the global community must strengthen efforts to transition away from fossil fuels, it is unacceptable to roll back climate action to appease the Trump administration. Providing public financial support for fossil fuel projects as part of tariff negotiations—thereby harming local communities and the global environment—cannot live up to Prime Minister Takaichi's stated commitment to "responsible proactive fiscal policy."

According to media reports, the Japanese and U.S. governments are considering establishing a special purpose vehicle to invest in these projects, with JBIC providing finance on the Japanese side and Japanese commercial banks extending loans under NEXI insurance guarantees<sup>2</sup>. Following the February 18 announcement, JBIC<sup>34</sup> and NEXI<sup>56</sup> began considering financing and/or insurance for construction, ownership, and operation of the two fossil fuel infrastructure projects the same day. However, under the Takaichi administration's stated commitment to

<sup>1</sup> <https://foejapan.org/en/issue/20250529/24139/>

<sup>2</sup> <https://www.nikkei.com/article/DGXZQOGN130BA0T10C26A2000000/>

<sup>3</sup> [https://www.jbic.go.jp/en/business-areas/environment/projects/page\\_00676.html](https://www.jbic.go.jp/en/business-areas/environment/projects/page_00676.html)

<sup>4</sup> [https://www.jbic.go.jp/en/business-areas/environment/projects/page\\_00663.html](https://www.jbic.go.jp/en/business-areas/environment/projects/page_00663.html)

<sup>5</sup> [https://www.nexi.go.jp/environment/info/a/202602121045\\_2.html](https://www.nexi.go.jp/environment/info/a/202602121045_2.html)

<sup>6</sup> <https://www.nexi.go.jp/environment/info/a/202602121045.html>

“responsible proactive fiscal policy,” it must be reconsidered whether allocating Japanese public funds to fossil fuel projects truly constitutes “responsible” action. In particular, new oil and gas projects must be evaluated in light of the following considerations.

## **International Agreements and Science Are Clear: There Is No Room for New Fossil Fuel Projects**

At the 2022 G7 Elmau Summit, the Japanese government committed to ending new direct public support for the international unabated fossil fuel energy sector by the end of 2022, except in limited circumstances clearly defined by each country consistent with a 1.5°C warming limit and the goals of the Paris Agreement<sup>7</sup>. Climate think tank Climate Analytics’s Climate Action Tracker has assessed that U.S. climate targets and policies are not aligned with the 1.5°C goal. Therefore, support by JBIC and NEXI for the Ohio gas-fired power plant and Texas crude oil export infrastructure would clearly violate this G7 commitment.

The International Energy Agency (IEA), in its analysis of pathways to net zero by 2050, has reaffirmed that no new oil, gas, or coal projects are required to achieve the 1.5°C target<sup>8</sup>. The latest report of the Intergovernmental Panel on Climate Change (IPCC) also warns that estimated CO<sub>2</sub> emissions from existing fossil fuel infrastructure alone would already push global warming beyond 1.5°C<sup>9</sup>. The scientific conclusion is unequivocal: there is no remaining carbon budget for the development of new fossil fuel projects if the worst impacts of climate change are to be avoided.

At the 28th Conference of the Parties (COP28) to the UN Framework Convention on Climate Change, attended by more than 190 countries, governments agreed to “transition away from fossil fuels<sup>10</sup>.” As climate disasters intensify in Japan and around the world, it is unacceptable to allocate public funds to new gas-fired power plants or crude oil export infrastructure. The Japanese government has a responsibility to uphold its international commitments.

## **Severe Methane Emissions from U.S. Oil and Gas Projects**

The primary component of fossil gas is methane, an extremely potent greenhouse gas. Methane’s global warming potential is 29.8 times that of CO<sub>2</sub> over a 100-year time frame

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<sup>7</sup><https://www.g7germany.de/resource/blob/974430/2062292/fbdb2c7e996205aee402386aae057c5e/2022-07-14-leaders-communique-data.pdf>

<sup>8</sup> IEA. September 2023. Net Zero Roadmap: A Global Pathway to Keep the 1.5°C Goal in Reach. 2023 Update.

<sup>9</sup> IPCC. 2023: Summary for Policymakers. In: Climate Change 2023: Synthesis Report. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Core Writing Team, H. Lee and J. Romero (eds.)].

<sup>10</sup> [https://unfccc.int/sites/default/files/resource/cma2023\\_L17\\_adv.pdf](https://unfccc.int/sites/default/files/resource/cma2023_L17_adv.pdf)

(GWP100) and 82.5 times over a 20-year time frame (GWP20)<sup>11</sup>. Methane is emitted and leaked throughout the gas supply chain. When these emissions are taken into account, lifecycle greenhouse gas emissions from LNG—particularly LNG produced in the United States—have been reported to be 33% higher than those from coal<sup>12</sup>.

The gas-fired power plant under consideration is not exempt from methane emissions. Investigations conducted by Oilfield Witness, which monitors and documents pollution from the oil and gas industry in the United States using optical gas imaging technology, have confirmed methane emissions from gas-fired power plants<sup>13</sup>. According to FoE Japan's estimates, methane accounts for 46% of the direct emissions (on a GWP20 basis) from fossil fuel projects supported by JBIC in 2024. When methane is properly accounted for, continued financial support for gas projects becomes even more indefensible<sup>14</sup>.

## **Greenhouse Gas Emissions from JBIC's Fossil Fuel Financing Are Not Aligned with the IPCC's 1.5°C Pathway**

Public financial support for overseas fossil fuel projects through JBIC and other institutions has already resulted in enormous greenhouse gas emissions. FoE Japan estimates that greenhouse gas emissions attributable to JBIC in 2024 amounted to approximately 408 million tons of CO<sub>2</sub> equivalent (GWP20, mobilized emissions). If JBIC were considered a country, it would rank 20th in the world in terms of greenhouse gas emissions—exceeding the annual emissions of countries such as France, the United Kingdom, and Italy<sup>15</sup>.

Moreover, JBIC's annual greenhouse gas emissions trajectory is not aligned with the reduction rate required by the IPCC—approximately 43% below 2019 levels by 2030<sup>16</sup>. Even assuming that JBIC were to cease all new fossil gas financing from 2025 onward, its emissions pathway would still fail to align with the 1.5°C target. Financing the Ohio gas-fired power plant and Texas crude oil export infrastructure would further widen this gap.

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<sup>11</sup> IPCC, 2021: [Climate Change 2021: The Physical Science Basis](#). Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [Masson-Delmotte, V., P. Zhai, A. Pirani, S.L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M.I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R. Matthews, T.K. Maycock, T. Waterfield, O. Yelekçi, R. Yu, and B. Zhou (eds.)]. Cambridge University Press, Cambridge, United Kingdom and New York, NY, USA, 2391 pp. Table 7.15.

<sup>12</sup> Howarth RW. [The greenhouse gas footprint of liquefied natural gas \(LNG\) exported from the United States](#). *Energy Sci Eng*. 2024; 12: 4843-4859.

<sup>13</sup> <https://oilfieldwitness.org/utilities-are-a-climate-battleground/>  
<https://www.youtube.com/watch?v=eyh4pcpBt7o>, <https://www.youtube.com/watch?v=DS7UnUGolhM>

<sup>14</sup> <https://foejapan.org/issue/20251105/25540/>

<sup>15</sup> <https://foejapan.org/issue/20251105/25540/>

<sup>16</sup> ibid.

## **Severe Environmental Destruction and Health Impacts at U.S. LNG Facilities Supported by Japanese Public Finance**

On the U.S. Gulf Coast, LNG projects such as Cameron LNG<sup>17</sup> and Freeport LNG—supported by JBIC and other Japanese institutions—have already caused serious environmental damage and health impacts in surrounding communities<sup>18</sup>. At Freeport LNG, a June 2022 explosion released approximately 3,400 cubic meters of methane, injured multiple people, including children, and forced the terminal to suspend operations for eight months<sup>19</sup>. Such incidents demonstrate that Japanese public financial support through JBIC and NEXI is inseparable from the expansion of fossil fuel development that sacrifices local health, environmental integrity, and community well-being. It is unacceptable to continue supporting fossil fuel projects that impose further harm on frontline communities.

## **Signatories of the Statement**

*Friends of the Earth Japan*

*Japan Center for a Sustainable Environment and Society (JACSES)*

*350.org Japan*

*Kiko Network*

*Mekong Watch*

*Rainforest Action Network*

*350Hawaii*

*Oilfield Witness*

*Better Brazoria Freeport Texas*

*Oil Change International*

*Turtle Island Restoration Network*

*Unitarian Universalist Service Committee*

*Friends of the Earth United States*

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<sup>17</sup> <https://foejapan.org/issue/20230908/14318/>

<sup>18</sup> <https://foejapan.org/en/issue/20241017/20776/>

<sup>19</sup> Houston Chronicle. 2022. Gulf Coast residents fear they live in 'sacrifice zone' for booming natural gas industry

*Gulf South Fossil Finance Hub*

*Zero Hour*

*Jubilee Australia Research Centre*

*The Australia Institute*

*Green America*

*Save Ohio Parks*

*FreshWater Accountability Project*

*Ohio Valley Environmental Advocates*

*Mid-Ohio Valley Climate Action*

*Earth Ethics, Inc.*

*198 methods*

*Dayton Energy Collaborative*

*Third Act Ohio*

*Columbus Community Bill of Rights*

*Radioactive Waste Alert*

*Ohio Nuclear Free Network*

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