Joint Statement:

Toshiba announces it will stop taking new construction orders for coal-fired power plants Trading companies, Mitsubishi Power, IHI, and others should do the same

Japan Center for a Sustainable Environment and Society (JACSES)

Kiko Network

Friends of the Earth Japan

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Mekong Watch

On November 11, Toshiba Corporation (Toshiba) announced that it will stop taking construction orders for new coal-fired power plants. We welcome the fact that Toshiba will not be involved in coal-fired power projects for which the construction bidding has not yet been done, including the Indramayu project in Indonesia and Matarbari Phase 2 in Bangladesh.

On the other hand, according to media reports, Toshiba will continue to work on about 10 projects for which it has already received orders. The construction of coal-fired power plants such as Van Phong 1 in Vietnam, Cirebon 2 and Tanjung Jati B Units 5 and 6 in Indonesia, Darlipali in India, and Matarbari Phase 1 in Bangladesh are expected to continue. According to Climate Analytics,² in order to achieve the Paris Agreement's long-term goals, developed countries need to completely stop the operation of coal-fired power plants by 2030, and developing countries by 2040. Since projects proceeding under orders already received are expected to operate beyond this deadline, they are inconsistent with the long-term goals of the Paris Agreement. In that context, Toshiba's decision to stop taking new construction orders is already late, and the developers of the other coal-fired power projects mentioned here should immediately announce that they will stop construction.

We urge general trading companies, Mitsubishi Power, IHI, Sumitomo Heavy Industries, Mitsubishi Electric and others that undertake the construction of coal-fired power projects to announce that, like Toshiba, they will immediately stop accepting new construction orders for coal-fired power plants. Moreover, we call upon them to put forth coal phase-out strategies that are aligned with the long-term goals of the Paris Agreement.

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¹ http://www.toshiba.co.jp/about/ir/en/pr/pdf/tpr2020q2e 2.pdf

² https://climateanalytics.org/briefings/coal-phase-out/