Joint Statement:

NGOs urge the Japanese government to take international leadership in the OECD negotiations towards the complete end of public support for coal projects

Japan Center for a Sustainable Environment and Society (JACSES) Kiko Network Friends of the Earth Japan 350.org Japan Mekong Watch

Currently, in order to establish rules on public finance for coal-fired power generation and coal mining projects, countries are negotiating at the Organisation for Economic Co-operation and Development (OECD)'s Working Party on Export Credit and Credit Guarantees. As the Japanese government is considering its position in the negotiations, we, 5 environmental NGOs, urge the government to take international leadership towards the complete end of public support for coal projects.

In the G7 Summit Leaders' Statement, which was agreed on June 18 in Cornwall, UK, the Leaders clearly state that "we commit now to an end to new direct government support for unabated international thermal coal power generation by the end of 2021, including through Official Development Assistance, export finance, investment, and financial and trade promotion support." The Japanese government has already reflected the commitment in its Infrastructure System Overseas Promotion Strategy 2025. Hence, in the negotiations at the OECD, the government should agree to end all public support for new coal-fired power generation projects.

In the G7 Summit Leaders' Statement, the Leaders also "commit to aligning official international financing with the global achievement of net zero GHG emissions no later than 2050 and for deep emissions reductions in the 2020s." In its report published in May 2021, "Net Zero by 2050, A Roadmap for the Global Energy Sector", the International Energy Agency (IEA) calls for an immediate end to financing new fossil fuel extraction projects to achieve net-zero greenhouse gas emissions by 2050. Therefore, the Japanese government should also agree to start early negotiations at the OECD to end public finance for coal mining.

Currently in the negotiations at the OECD, Australia and Turkey are strongly opposed to the proposal backed by the EU and the United States to end public support for coal projects. In accord with the commitment at the G7 Summit, the Japanese government should exercise international leadership, such as by persuading Australia and Turkey, to bring a complete end to public support for coal projects.

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