<STATEMENT>

**JBIC and Private Banks Must Reconsider Decision to Finance LNG Canada Project**

CSOs Strongly Condemn JBIC’s Decision Just before COP 26 to Provide Public Finance That Ignores Climate Crisis and Rights of Indigenous Peoples

On October 29, the Japan Bank for International Cooperation (JBIC), a public financial institution fully owned by the Government of Japan, announced in a press release that it has decided to provide up to US $850 million for the LNG Canada Project.

The decision by JBIC just ahead of the 26th session of the Conference of the Parties (COP 26) to the United Nations Framework Convention on Climate Change (UNFCCC) that started on October 31 in Glasgow, Scotland, UK, goes against the call by the UK government to stop public financing for fossil fuels, and shows that Japan's approach to climate change is still out of line with the rest of the world. Japan will once again become the target of criticism from the international community. Serious violations of Indigenous Peoples have also been pointed out in a project associated with the LNG Canada project.

We strongly condemn JBIC's decision to provide financing and disregard impacts on climate change and the human rights of Indigenous Peoples, and we call on the companies and financial institutions involved to immediately withdraw from the project.

The LNG Canada project plans to liquefy shale gas extracted from Montney, British Columbia and transported through the 670 kilometer Coastal Gaslink pipeline to Kitimat. The gas would then be exported to the Asian market. Investors include Mitsubishi Corporation and Royal Dutch Shell. JBIC plans to provide $1.85 billion in co-financing for the project with private financial institutions. It is not clear which private financial institutions are co-financing the project, but Japan's three largest banks, Mizuho Bank, Sumitomo Mitsui Banking Corporation and MUFG Bank, have already provided financing for the Coastal GasLink pipeline project, and therefore it is likely that they are also involved in the LNG Canada project.

The Paris Agreement, an international treaty on climate change, sets a goal of limiting global average temperature increase to 1.5 degrees Celsius, and to achieve this goal, global greenhouse gas emissions must be reduced to net zero by 2050. A report released in May by the International Energy Agency (IEA) called for an immediate halt to new investment in

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1 Japan Bank for International Cooperation, “カナダにおけるLNGカナダプロジェクトに対する開発資金を融資 日本のエネルギー資源確保に貢献” (Japanese) October 29, 2021

2 Chloé Farand, "UK seeks alliance to end public finance for coal, oil and gas projects overseas”
all fossil fuels to achieve net-zero emissions by 2050\(^3\), making it clearer than ever that we need to end public finance for fossil fuels. In addition, the LNG Canada project is scheduled to start operating from 2024 for 40 years, meaning that it will produce liquified natural gas (LNG) after 2050. This is a clear violation of the Paris Agreement.

In addition to its climate impacts, serious human rights violations against Indigenous Peoples have been reported in an associated project of the LNG Canada project, the Coastal GasLink pipeline project. The Coastal GasLink Pipeline Company is now pushing ahead with construction, ignoring the rights of the Wet'suwet'en First Nation. The Wet'suwet'en, who are directly affected by Coastal GasLink, have never given up their land, and in 1997 the Supreme Court of Canada ruled that the ownership and use of land belong to Indigenous Peoples (Delgamuukw case)\(^4\).

On December 13, 2019, the UN Committee on the Elimination of Racial Discrimination adopted a resolution calling on the federal government to immediately halt the Coastal GasLink pipeline project, the Trans-Mountain pipeline project, and construction of the Site C Dam, until "Free, prior and informed consent (FPIC)" has been obtained\(^5\). In other words, it has been pointed out internationally that FPIC has not been obtained for Coastal GasLink, associated with the LNG Canada project, and JBIC's decision to finance the project clearly violates JBIC's Guidelines for Confirmation of Environmental and Social Considerations, which require that FPIC be obtained from Indigenous Peoples prior to financing.

The Equator Principles, which are signed by private banks, also call for projects to obtain FPIC from Indigenous Peoples and to comply with "the rights and protections for Indigenous Peoples contained in relevant national law, including those laws implementing host country obligations under international law." The decision to provide financing for this project clearly goes against this. The Wet'suwet'en and more than 100 other organizations around the world submitted a request letter on October 19 to investors and financial institutions, including Japan's three largest banks, calling on them to divest from and stop financing the Coastal GasLink pipeline project and the LNG Canada project\(^6\).


\(^6\) “Indigenous-led campaign, endorsed by 100+ groups, urges global investors and banks to divest from and stop financing Coastal GasLink and LNG Canada; Financing violates racial justice commitments and reconciliation; Campaign builds on TMX campaign that saw 16 insurers drop the project” https://static1.squarespace.com/static/5c51ebf73e2d0957ca117eb5/t/616e48f02d0094632c4c290a/163461758249/211005+-+Divest+from+Coastal+GasLink+Press+Release+-+Canada.pdf The Gidimt’en Checkpoint, October 19, 2021
We strongly urge JBIC and the private financial institutions involved in the project to immediately withdraw their financing to the project, and urge Mitsubishi Corporation to withdraw from the project.

LIST OF SIGNATORIES:
This statement is signed by 93 organizations, including those working at international and regional levels plus organizations working nationally in 30 countries.

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

Cas Yikh (Gidim’t’en Clan, Wet’suwet’en Nation)

Canadian Association of Physicians for the Environment
SOS territoire
Accompagnement Mieux-Être
CADET
Climate Strike Canada
David Suzuki Foundation
Democracy Watch
Eau secours
Environnement Vert Plus
Festival des Technologies vertes de Montréal
Fondation Rivières
Friends of the Earth Canada
Gulf Islands Front Lines
Les oubliés de l’autobus

Mouvement Citoyen Littoralement Inacceptable (MCLI)

Mouvement d'éducation populaire et d'action communautaire du Québec
My Sea to Sky
Nature Québec
Prospérité sans Pétrole

RAVEN (Respecting Aboriginal Values and Environmental Needs)
Sustainabiliteens Vancouver Canada Québec
The Climate Reality Project Canada Canada, Québec
Wilderness Committee Canada/Québec
NON à une marée noire dans le Saint-Laurent Québec, Canada
La CEVES Montreal, Quebec, Canada
Citoyens au Courant Vaudreuil-Soulanges, Canada
Tierra Nativa / At Argentina Argentina

Asian Peoples’ Movement on Debt and Development (APMDD) Asia
Australian Conservation Foundation Australia
Friends of the Earth Australia Australia
Jubilee Australia Australia
Bangladesh Environmental Lawyers Association Bangladesh
Amigos da Terra Brasil / Foe Brazil Brazil
Fundacion Chile Sustentable Chile
COECOCEIBA - FoE Costa Rica Costa Rica
NOAH - Friends of the Earth Denmark Danmark
Friends of the Earth Europe Europe
Just Finance International Europe
Masn ystäväät ry/ Friends of the Earth Finland Finland

Les Amis de la Terre / Friends of the Earth France France
Reclaim Finance France
The Greens Movement of Georgia/FoE Georgia Georgia
GegenStroemung – INFOE e. V. Germany
urgewald Germany
AbibiNsroma Foundation Ghana/Africa
Alliance for Empowering Rural Communities Ghana
Growthwatch India
Trend Asia Indonesia
WALHI Indonesia
EarthRights International International
Friends of the Earth International International
International Accountability Project International
Market Forces International
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<td>原子力規制を監視する市民の会</td>
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Friends of the Earth US  United States
Oil Change International  United States
Rainforest Action Network  US

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