

March 28, 2024

**Joint Statement:
NGOs urge Japanese financial institutions to stop developing/supporting the
Scarborough gas field in Australia**

Japan Center for a Sustainable Environment and Society (JACSES)
Friends of the Earth Japan
Mekong Watch
Kiko Network
Climate Action Network Australia
The Asian Peoples Movement on Debt and Development
Market Forces
Oil Change International

On March 26, 2024, the Japan Bank for International Cooperation (JBIC), a public financial institution fully owned by the Government of Japan, and Japan Organization for Metals and Energy Security (JOGMEC), also a public institution, announced that they made decisions to provide support for the Scarborough gas field development project which is under development in the offshore area of the northwest coast of the Pilbara region in Western Australia (*1-2). Following these decisions, we, environmental NGOs strongly condemn the decisions by JBIC and JOGMEC to support the project and urge JERA Co., Sumitomo Corporation, Sojitz Corporation, JOGMEC, and JBIC not to implement or support the project for the following reasons:

Issue 1. The development of a new gas field is not aligned with the 1.5-degree goal of the Paris Agreement.

According to a report published by the International Energy Agency (IEA) in 2023 titled "Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach" (*3), in order to achieve net-zero greenhouse gas emissions by 2050, there is no room for making investment in new coal, oil or natural gas projects. So the currently planned Scarborough gas field development project is not aligned with the 1.5 degree goal of the Paris Agreement.

In the G7 Elmau Communique, to which the Japanese government has committed, it is stated that countries "commit to end 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." (*4). However, the Australian government's policy is not aligned with the 1.5 degree target (*5), and therefore, support from JBIC and JOGMEC for this project would violate the G7 Elmau commitment.

Issue 2. The "Free, Prior, and Informed Consent (FPIC)" as required in the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and other international rules has not been secured.

In the Scarborough gas field development project, FPIC with the affected Indigenous peoples has not been secured. Ms. Raelene Cooper, one of the Traditional Owners in the Pilbara region, argued that the permission granted by the National Offshore Petroleum Safety and Environmental Management Authority (NOPSEMA) for the marine seismic survey was illegal, and Cooper filed a lawsuit against NOPSEMA and Woodside in the Federal Court of Australia on August 17, 2023 (*6). On September 28, 2023, Cooper won the lawsuit, leading to the withdrawal of the permission for the marine seismic survey (*7). However, Woodside resubmitted the Environmental Plan (EP) for the marine seismic survey to NOPSEMA on October 19, 2023 (*8), and it was approved by NOPSEMA on December 1, 2023 (*9).

However, Cooper pointed out that between the court ruling on September 28, 2023, and the resubmission on October 19, 2023, the company had only held one meeting with her, indicating that adequate consultation had not been conducted (*10). Additionally, in "Burrup and Maitland Industrial Estates Agreement" in 2003 among the State of Western Australia, the Western Australian Land Authority and Murujuga Aboriginal Corporation (MAC), indigenous peoples' group in the Pilbara region, MAC is not allowed to "lodge or cause to be lodged any objection to development proposals intended to occur on land within the Industrial Estate" (*11), thus the affected indigenous peoples' group cannot give or withhold FPIC to the Scarborough gas field development project. The securing of FPIC is required not only by the United Nations Declaration on the Rights of Indigenous Peoples but also by international rules such as the Equator Principles which is the criteria for environmental and social considerations by private banks and also by JBIC's "Guidelines for Confirmation of Environmental and Social Considerations". The decisions to support or carry out this project would thus violate these norms and regulations.

Therefore, JERA, Sumitomo Corporation, Sojitz Corporation and JOGMEC should immediately stop the Scarborough gas field development project. Additionally, JBIC and private banks should stop providing support for this project.

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Note:

*1: https://www.jbic.go.jp/ja/information/press/press-2023/press_00207.html

*2: https://www.jogmec.go.jp/english/news/release/news_10_00058.html

*3:

<https://www.iea.org/reports/net-zero-roadmap-a-global-pathway-to-keep-the-15-0c-goal-in-reach>

*4: <https://www.mofa.go.jp/mofaj/files/100364051.pdf>

*5: <https://climateactiontracker.org/countries/australia/>

*6:

<https://www.edo.org.au/2023/09/14/im-related-traditional-custodian-granted-injunction-against-woodside-seismic-testing/>

*7: <https://www.judgments.fedcourt.gov.au/judgments/Judgments/fca/single/2023/2023fca1158>

*8:

<https://www.abc.net.au/news/2023-11-09/woodside-renews-application-seismic-testing-pilbara/103084128>

*9: https://info.nopsema.gov.au/activities/461/show_public

*10:

<https://www.abc.net.au/news/2023-11-09/woodside-renews-application-seismic-testing-pilbara/103084128>

*11:

<https://www.wa.gov.au/system/files/2019-06/Burrup%20and%20Maitland%20Industrial%20Estates%20Agreement.pdf>