Kiko Network Annual Report 2018

Change Society, Not the Climate.
People Power, 100% Renewables for All

Highlights of 2018

Goodbye, Coal!

KIKO NETWORK 気候ネットワーク

Greeting

Making the Paris Agreement Work

Respecting the Historic Significance of the Paris Agreement

Implementing the Paris Agreement: A crucial year for science and international consensus

The year 2018 was the third year since the historic Paris Agreement was adopted, and yet another year in which its true historic significance again came into question. Yet, one could call it a big turning point, nationally and internationally, in efforts to make the agreement truly effective.

One major step was at the 24th Conference of the Parties (COP24) to the UN Framework Convention on Climate Change in Katowice, Poland in December, which adopted detailed operational rules for the Paris Agreement (except for Article 6). This showed that regulatory preparations to implementation the agreement from 2020 onwards could make steady progress in spite of the policy directions taken by the Trump administration in the United States.

Second, the Intergovernmental Panel on Climate Change (IPCC) also published its "Global Warming of 1.5°C" special report in 2018, with its contents deeply shocking people around the world. It showed that a rise in global temperature of 1.5°C above pre-industrial levels will severely impact the climate system and ecosystems, that a rise of 2°C would bear even graver consequences, that if things continue at this rate a 1.5°C warmer world could become reality as early as 2030, and that to prevent the temperature from climbing even higher global emissions would have to reach net zero by 2050.

Latest science shows that climate change literally threatens life on Earth

In the realm of science, a method known as event attribution (EA) has identified the negative effects of climate change not as something general or abstract, but as something that directly endangers human lives. In July 2018, severe heatwaves and torrential rainfall wrought havoc all over western Japan, killing many people and impairing the livelihoods of even more. Using this methodology, Japan's meteorological agency showed that human-induced global warming had increased the probability of negative impacts from last year's heatwaves by 20% and extreme precipitation events by 7%.

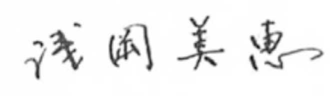
Scientists estimate that global warming of 1.5°C could lead to a 40% increase in the number of extremely hot days within 11 years. A temperature rise of 1.5°C is no longer viewed as an abstract risk in the distant future, but literally as an imminent threat to life. This also shows the extent to which climate change has progressed.

Fighting delays in climate action, working for real change to affirm the Paris Agreement's historic importance

Despite this context, Japan and many other nations are still slow to adopt tougher targets to reduce greenhouse gas emissions and strengthen national policies. The year 2018 will be remembered as the year in which our children, who will be the real victims of climate change, began to challenge this generation's actions under the Paris Agreement. The actions of Greta Thunberg, a 16-year old girl who conducted a sit-down strike in front of the Swedish parliament and initiated school strikes that have inspired children worldwide, continue to grow and challenge all of us. We must ensure that the lack of awareness and negligence by the generations and nations responsible for climate change do not end up undermining the importance of the Paris Agreement.

For Kiko Network, too, the effort continues. Above all, I should give special mention to our various activities relating to coal-fired power plants and our support for lawsuits aimed at halting the construction of new coal-fired power plants in Kobe and Yokosuka. Activities including efforts to stop coal power plant construction projects in Chiba Prefecture also yielded big successes in 2018.

We hope that our actions and those of people all over the world will continue to spread and grow in order to ensure that the Paris Agreement indeed can be recognized as a treaty of truly historic significance.



Mie Asaoka

President, Kiko Network

Kiko Network Annual Report 2018 — Table of Contents

Greeting: Making the Paris Agreement Work • • • 2

Our Achievements in 2018: Goodbye, Coal! Progress Made Towards the Phase-Out of Coal • • • 3

Our Activities in 2018: International Negotiations, National Adovocacy, Local Activities • • • 4

Financial Report and List of Board Members • • • 7

Cover Photo・Fridays For Future Kyoto, March 15th, 2019 (Photo: Masayoshi Iyoda)

Our Achievements in 2018

Goodbye, Coal! Moving Japan Closer to a Coal Exit

Victories for the anti-coal movement in Tokyo Bay

Progress toward a phase-out of coal power

The year 2017 could be dubbed "Year One for Zero Coal." It was a year in which awareness really began to catch on about the problem of coal-fired power plants and their enormous CO_2 emissions. Just one year later, in 2018, we made steady progress, one step at a time, on the path to say goodbye to coal.

In November 2018, Kiko Network published a proposal—the first of its kind in Japan—to shut down all coal power plants in this country by 2030. Our "Japan Coal Phase-Out: The Path to Phase-Out Coal by 2030" report attracted much attention (see also page 5). As citizen campaigns to move beyond coal have continued to grow all over Japan, we have witnessed a series of coal plant construction projects being cancelled. In 2018 we could definitely sense that change starts with the people, with business, and with communities.

Large coal power plant projects halted

Targeting numerous plans that were coming forward in Japan to construct new mega-sized coal-fired power plants, Kiko Network launched various actions in 2012 aimed at monitoring and halting these new projects.

Plans emerged for the construction of several new coal-fired power plants along the shores of Tokyo Bay. Aiming to block these projects, Kiko Network launched campaigns in 2017 and began to act in cooperation with the affected communities. In the year 2018 we had major wins, including two project cancellations. One was in the city of Chiba, proposed by Chugoku Electric Power and JFE Steel Corporation (one unit of 1,070 MW), and the other in Sodegaura, proposed by Tokyo Gas, Kyushu Electric Power and Idemitsu Kosan (two units at 1,000 MW each). These were major victories for "citizen power" as a result of the collaboration between Kiko Network and local communities, a movement that coalesced into the Citizens Group on Coal Power in Tokyo Bay.

Divestment from coal power

Even before the Paris Agreement, there was a global wave of financial institutions divesting from companies involved in fossil fuels (especially coal). Kiko Network has worked with other NGOs to highlight the importance of divestment. However, contrary to the situation in other countries, there were previously very few cases of divestment among Japanese financial institutions.

But the tide changed in 2018. As a first in Japan, in May, Dai-ichi Life Insurance Co. announced a new policy not to provide project financing for the construction of coal-fired power plants overseas. Then one by one, Japan's big three banks—Mizuho Bank, MUFG Bank, and Sumitomo Mitsui Banking Corporation—announced their own divestment policies for coal power.

There are certainly loopholes in their policies, and Japan is still far from the level of effort required to be consistent with the Paris Agreement, but these positive changes could be seen as a sign of progress in Japan. We will continue calling for improvements and the further expansion of divestment policies.

Citizen lawsuits against coal

Continuing from the previous year, 2018 saw new lawsuits calling for an end to coal power, launched by citizen groups working together with Kiko Network. Citizens initiated a civil lawsuit and administrative litigation (targeting the government) to fight plans by Kobe Steel Ltd. to build new coal power generating units in the city of Kobe. This was Japan's first administrative litigation lawsuit seeking to make the government stop supporting coal power. It challenges the government's responsibility for recklessly approving the construction of coal-fired power plants despite flawed environmental assessments.

It is unacceptable to be constructing new coal power plants today. They pollute the atmosphere and go counter to what is demanded by climate policy. The citizens are rising up, and their legal battles are gaining traction. Kiko Network will continue to push for progress toward a "coal exit" through judicial processes.

Sekitan Majin is a coal-addicted gremlin from underground who wants to rebuild a Coal Empire. Our hero Anti Coal Man beats the challengers one by one to save the climate. Kiko Network created these manga characters for public outreach.

Building an International Framework

Adoption of a "Paris Rulebook" at COP24 in Katowice

Photo; Masayoshi Iyoda, Kiko Network

Adoption of a "Paris Rulebook"

To solve the global climate crisis, a global framework is needed. Kiko Network has continued to participate in UN climate conferences for years, including the meetings that produced the Kyoto Protocol and the Paris Agreement, and we continue to monitor international negotiations.

At COP24 in Katowice, Poland in 2018, a "rulebook" containing detailed implementation guidelines was negotiated under the Paris Climate Agreement. Kiko Network collaborated with Climate Action Network, a global network uniting 1300 NGOs, for advocacy targeting governments.

COP24 produced a certain degree of consensus. A mechanism was created for all nations to share information on their Nationally Determined Contributions (NDCs), including mutual verification and continuously raising their ambition toward decarbonization. It is based on the participation of all countries, while allowing developing countries some flexibility. Discussions on market mechanisms and some other issues were postponed for future meetings. Another important focus of the conference was the call for all nations to strengthen their efforts to reach zero emissions. Unfortunately, the Japanese government failed to make any outstanding contribution to discussions.

In fact, Japan barely showed its presence at COP24. On top of that, the island nation was harshly criticized for its policy of promoting coal power both at home and abroad. Its commitment to work toward achieving a zero carbon society was also called into question.

Mainstreaming narratives for decarbonization

The year 2018 was also a year in which we could see the global trend toward decarbonization.

First, Germany, which still produces coal and is committed to end the use of nuclear power, decided to exit from coal-fired electricity production by 2038 at the latest. Such a move should be easier for Japan, as it is not a coal-producing country. Attempting to match Germany's ambition, Kiko Network produced the "Japan Coal Phase-Out" report as a national roadmap and circulated it in Japan.

Meanwhile, the 100% renewable energy trend has picked up steam all over the world. In August 2018, CAN-Japan (Kiko Network serves as the secretariat) and Japan-Climate Leaders' Partnership, together with ICLEI Japan, the Ministry of Environment, and the Ministry of Foreign Affairs, organized an international symposium entitled "Towards the Realization of a 100% Renewable Energy Society." Multi-stakeholder approaches were discussed and positive messages shared.

However, in October 2018, the Intergovernmental Panel on Climate Change (IPCC) released its "Global Warming of 1.5°C" report containing the latest science, showing that while the urgency of the climate crisis is rising, climate actions are lagging behind what is needed. In 2019, the UN Climate Summit in New York and COP25 in Santiago will put the spotlight on whether or not countries will increase their efforts.

Photo; Anders Hellberg

Supporting the youth movement: "Fridays for Future" in Japan

In the summer of 2018, demanding solutions for the climate crisis, Swedish high school student Greta Thunberg started a protest in front of the Swedish parliament building. Thanks to the media, news of her initiative spread around the world like a wildfire, and started to influence national and local government policies. To leaders, Greta says, "I want you to panic. I want you to act as if our house is on fire."

Kiko Network supports the young people who have started Fridays for Future in Japan. In March 2018, we collaborated with the "Fridays for Future" actions in Kyoto and Tokyo, which have been picked up by numerous media outlets.

Promoting Climate Action in Japan

Global citizens criticizing Japan's pro-coal policy at COP24

Advocacy on Japan's climate policies

The Paris Agreement calls on each government to prepare a "long-term low greenhouse gas emission development strategy" and submit it to the UN by 2020. Although the declaration resulting from the G7 Ise-Shima Summit hosted by Japan in 2016 indicates that the long-term strategies should be formulated well before 2020, the Japanese government was slow to work on drafting its own long-term strategy, with discussions being steadily postponed even in 2018.

Kiko Network urged the government to create a long-term strategy that will work towards the goal of limiting the rise in global temperature to below 1.5°C and the early realization of a decarbonized society, and to submit it to the UN. However, Japan's climate policy ended up being significantly influenced by the national "Fifth Strategic Energy Plan" which puts an emphasis on nuclear and coal power.

The flaws in Japan's energy plan

The Fifth Strategic Energy Plan was adopted by the Cabinet in July 2018. It marks the first revision to Japan's energy plan since the Paris Agreement was adopted. It does contain wording about "the decarbonized society," but makes no major changes to its policies, and in fact the focus on coal and nuclear remains.

The government's planned energy mix for 2030 (nuclear 20-22%, renewables 22-24%, coal 26%, LNG 27%, petroleum 3%) remains unchanged as well. In fact, an in-depth regulatory program was even designed, outlining in detail the reforms of the electricity market needed to help achieve that energy mix. One of the "best" examples of this is the so-called "capacity market" system, which preserves nuclear and coal power.

To be consistent with the Paris Agreement, a major transformation of Japan's energy system is needed. Kiko Network is continuing to advocate at the national level to ensure that actions of citizens, communities, and businesses can lead to policy reforms and the massive transformation we need to see.

Calling for transparent policy processes

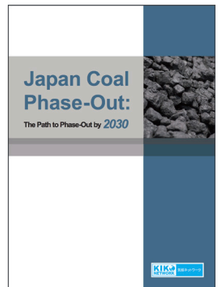
In 2018 the climate crisis became more obvious to everyone, with a series of abnormal weather events plaguing Japan in the form of torrential rainfall, extreme high temperatures, and large-scale typhoons. Slowly but surely, the general public is becoming more aware that the frequent occurrence of extreme weather events is closely linked to climate and energy policy. A growing number of people has started to speak up against things like constructing new coal-fired power plants, saying such plans are out of touch with the times.

Kiko Network continued to act based on its slogan of "Stopping climate change with the power of the people," continuing to give shape to public opinion and insert it into processes like the one behind the revision of Japan's Basic Energy Plan. In an era when citizens are finding it difficult to have their thoughts and opinions reflected in policy (not just in relation to climate change, but in general), information disclosure and public participation in the making of policy is crucial to create an environment where there is hope for the future. In that context, Kiko Network's activities such as requests for information disclosure are based on the spirit of democracy.

"Japan Coal Phase-Out: The Path to Phase-Out Coal by 2030"

As of April 2018, there were 117 coal-burning units at power plants in Japan. They started operating many years ago and generate power very inefficiently. Our report, released in 2018, proposes a phase-out of all these power plants by 2030 on a concrete and practical timeline. Our report also requests the government and coal power companies to make related information available to the public.

*This report is available in English on our website: https://www.kikonet.org/eng/Japan-Coal-Phadse-out



Promoting Decarbonization at the Local Level

Kiko Network supported the launch of TERA Energy

Supporting local suppliers of renewables

Kiko Network is promoting renewable energy as a local resource. The consumption of gasoline, electricity and heat typically means that money flows out local a community as the cost of energy. Knowing this, we have been supporting the establishment of local power producers and suppliers (PPS). This is a new type of company that arose in the context of Japan's electricity market liberalization, aiming to create a circular local economy and address local issues by promoting energy efficiency and renewable energy.

TERA Energy (https://tera-energy.com) is an example of such a company, established mainly by Buddhist monks. Its profits are given back to the community through the temple to help address various local issues. Its power supply services are set to start in the Chugoku region in June 2019, then expand to the Kansai region and eventually to the whole of Japan.

Kiko Network is also supporting various other projects all over Japan.

Projects to promote renewable energy

- The 10th National Forum of Citizen's Co-owned Renewable Energy Powerplants in Iida
- Survey of Municipalities on Climate and Energy Policies
- The Power Shift campaign to transform energy companies
- The Renewable Energy 100% Platform in Japan

"Children's Eco-Life Challenge" in Malaysia

In Kyoto, Kiko Network is running a climate change education program called "Children's Eco-Life Challenge." The Iskandar region in Malaysia has launched its own environmental education project modeled on the Kyoto program. To help this grow further, Kiko Network collaborated with the Kyoto Environmental Activities Association.

During the three-year project, 17 participants were trained as environmental education coordinators, around 400 were trained as volunteers, the Eco-Life Challenge program was held at over 400 schools, and model courses were offered at 60 schools. This project is expected to be implemented in Johor Bahru state next and then expanded to all of Malaysia.

Climate action education and capacity building projects

- "Children's Eco-Life Challenge" program in Kyoto (164 schools)
- Support for "Children's Eco-Life Challenge" elsewhere in Japan (in prefectures including Okayama, Shimane, Oita, etc.)
- Renewable Energy School Kyoto in 2018

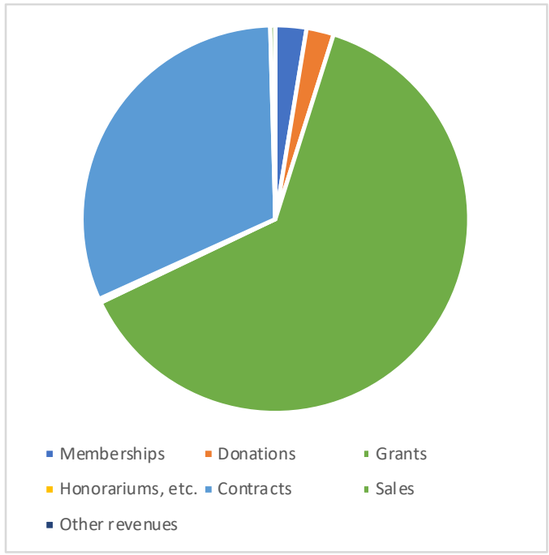
Kiko Network staff joined a symposium on climate education projects held in Iskandar, Malaysia. (November, 2018)

Financial Report and List of Board Members

Kiko Network Financial Report for Fiscal 2018

In fiscal 2018,* revenues grew by approximately 50% compared to the previous year, mainly due to an increase in grants and subsidies, while expenditures rose by around 20%, mainly associated with increased grants and subsidies. At the end of the fiscal year, the net balance of revenues versus expenditures was positive. However, since the balance includes grants from different time periods, some of the funds carried over are restricted for use during the first half of fiscal 2019. Revenues from membership fees and donations have decreased slightly. We have new cooperation and interactions with companies and organizations, but expect membership and donation revenues to remain at roughly the same level. We will continue working to boost memberships and donations in order to further strengthen our organizational base and activities, and are also constantly striving to utilize grant and contract funds effectively.

*Note: Our 2018 fiscal year was from April 1, 2018 to March 31, 2019.



Revenue Breakdown

FY2018 Revenues	
Category	Amount (JPY)
Memberships	2,350,000
Donations	2,066,090
Grants	57,189,950
Honorariums, etc.	298,408
Contracts	28,439,468
Sales	385,090
Other revenues	827
Total	**90,729,833**

FY2018 Expenditures	
Category	Amount (JPY)
1. Program expenditures	
Outreach	3,234,949
Research and advocacy	3,327,365
Network building	924,268
International negotiations and policy work	1,293,975
Community and NGO support	646,988
Grant-funded programs	30,523,131
Contract-funded programs	28,442,125
Program subtotal	68,392,801
2. Administrative expenditures	
Salaries	1,540,756
Travel	132,470
Communications and shipping	189,561
Supplies	92,243
Office rent	301,287
Printing	107,410
Employee benefits	321,014
Taxes	186,065
Other expenditures	139,194
Administrative subtotal	3,010,000
Total	**71,402,801**

Revenues and expenditures	FY2018 results
Opening balance	17,879,293
Total revenues	90,738,823
Total expenditures	71,402,801
Closing balance (March 31, 2019)	37,215,315
Closing balance (restricted portion)	26,675,819
Closing balance (unrestricted portion)	10,539,496

List of Board Members

President Mie Asaoka
Vice President Shunkai Suda
Kuniyasu Inoue
Takuma Kani
Hiroshi Kanda
Ayako Sakurada
Yoshitsugu Sasaki
Kenro Taura
Ken Tsuzuku
Oomi Nishizono
Ikumi Hara
Tsuyoshi Hara
Shunichi Hiraoka
Kimiko Hirata
Takako Momoi
Motohiro Yamazaki
Naoyuki Yamagishi
Juta Wada

Auditor; Toshiyuki Ueda
Auditor; Yoshimichi Sakakibara
Auditor; Shigenori Fukushima

(As of June 2019, in random order)

Change the rules, not our climate.

The work of Kiko Network can only be achieved with the help of our supporters.
There are many ways you can help, including becoming a member, donating, volunteering, assisting with joint research, and campaigning.

Kiko Network would like to thank all its supporters for their current and future contributions to changing the society we live in as we head toward a sustainable global society.

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