

# Climate Change Policy of Korean Government

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Presidential Committee on Green Growth*



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**I. Presidential Committee on Green Growth**

**Overview**

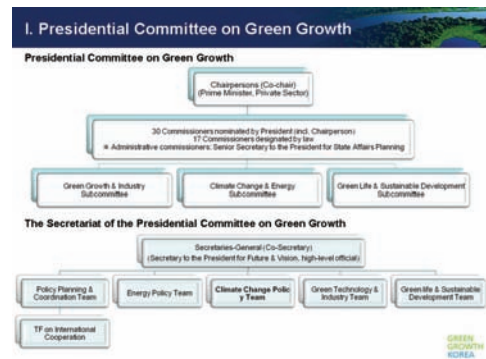
- Established under the direct control of the President
- Implement the national project of 'Low-Carbon, Green Growth'

**Tasks**

- Coordinate and review low carbon green growth policies
- Setup action plans and policy measures for green growth

**Milestones**

- Feb. 2009 1st PCGG meeting (7 meetings has been held)
- Jul. 2009 Five-Year National Plan for Green Growth finalized
- Dec. 2009 Framework Act on Low Carbon Green Growth, passed by the National Assembly



**II. Green Growth, Turning Crises into Opportunities**

**Climate Impact**  
- average temperature rise 1.5°C (7 times more than world avg.)

**Energy security vulnerability**  
- 140 billion USD energy bill

**Economic slow-down**  
- declining growth rate  
- growth without rise in employment

"New path is needed"

**II. Green Growth, Turning Crises into Opportunities**

**Creating New 60 years 15<sup>th</sup>** (announcement of a new national vision in the 60<sup>th</sup> anniversary of the founding of the Republic on August 2008)

Last 60 years

Economic growth

Next 60 years

Green growth

**More than just an environmental policy**

- a new paradigm of progress
- changing people's behavior and way of thinking

*"Low Carbon Green Growth"*

### III. Turning Grand Vision into Real Actions



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### [Framework Act on Low Carbon Green Growth]

- Composition**
- 7 chapters and 66 articles
  - a Framework Act - it has priority over all relevant laws regarding Green Growth
- Key provisions**
- 1) legal ground for the Presidential Committee on Green Growth and mandates the committee to develop a national strategy for Green Growth.
  - 2) mandates the government to foster and support green economy, green industry, and the transformation of conventional industry.
  - 3) foster financing for green technology R&D and green investment, as well as, mandates to promote environment friendly tax reform.
  - 4) mandates government to set concrete targets for GHG emission reduction, energy saving, energy security, and renewable energy supply.
  - 5) mandates for mandatory reporting of GHG emission for businesses. Provides the legal framework to introduce cap & trade system in Korea.
  - 6) articles on environment-friendly land use, green building, low carbon transportation, green consumption and production, and other issues related to sustainable development.

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### [Green New Deal]

**Background & Key projects**

- Green New Deal announced on Jan. 2009 - 9 key projects and supporting projects
- focused on job creation as well as building the foundation for low carbon economy transition

Category	Budget (billion KRW, %)				
	Total	'09	'10-'11	'12-'13	Rate of Increase
total sum	107.4	17.5	48.3	41.6	10.2
•Adaptation to climate change & energy independence	56.9	8.6	29.2	19.2	14.0
• Creating new engines for economic growth	28.6	4.8	10.7	13.1	9.4
• Improvement in quality of life and enhanced international standing	21.9	5.2	10.5	12.2	3.6

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### IV. National Strategy for Green Growth & 5-yr Plan



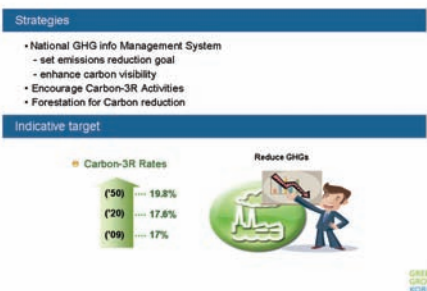
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### IV. National Strategy for Green Growth & 5-yr Plan

- Policy Tools**
- Public sector's own investment on Infrastructure and R&D technology**
- Infrastructure: improving mass-transit system, water quality, green-home project, etc.
  - R&D in low emission vehicles
- Regulation along with Incentives**
- RPS (Renewable energy Portfolio Standard)
  - Eco-friendly Tax System
- Moral Suasion**
- Carbon point, carbon cash-back

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### 1. Low Carbon Society



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## 2. Energy Security

### Strategies

- Energy Conserving Society
- Expand Clean Energy Development & Deployment
- Expand Safe Nuclear Energy
- Expand off-shore Energy Source Development

### Indicative target

- Enhance Energy Independence



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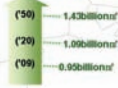
## 3. Strengthen Climate Change Adaptation Actions

### Strategies

- Improve climate monitoring capability & early warning system
- Establish adaptation policy for six major areas
  - Health Risks / Food Security / Water resources / Forest / Sea-shore / Disaster

### Indicative target

- National Forest Resources



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## 4. Develop Green Tech

### Strategies

- Strategic Promotion of Green tech innovation
- Strategic Investment in Green R&D
- Core Green technologies
  - LED, CCS, Clean Cars, Renewables

### Indicative target

- Invest in Green tech R&D



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## 5. Fostering Green Industries

### Strategies

- Resource-circulating economy & society
- Green conversion of industries
- Foster green SMEs
- Build green clusters

### Indicative target

- Export in Green Products



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## 6. 'Greenovate' Industrial Structure

### Strategies

- Foster high tech fusion industry
- High value added service industry

### Indicative target

- Export in IT fusion industry
- Export in contents



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## 7. Build Green Economy Basis

### Strategies

- Invigorate Carbon Market
  - Cap & trade, Emissions related business
- Green Financial Infrastructure
  - Sustainable banking, Green fund
- Eco-tax
- Create green jobs

### Indicative target

- Domestic Carbon Market



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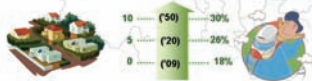
## 8. Green Land-Transportation

### Strategies

- Expansion of Green Home & Green Buildings
- Green cities
- Expand Eco space
- Green Public Transportation bicycles & Promote Green Cars

### Indicative target

- UN Green Model Cities
- Proportion of railway transportation



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## 9. Green Life Revolution

### Strategies

- Introduce Eco-point system & expand Carbon labeling
- Promote green consumption & green lifestyle
- Promote green growth education & public awareness

### Indicative target

- Carbon label certified products



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## 10. Global Green Leader

### Strategies

- Enhance int'l cooperation for green growth and climate action
- Increase Green ODA & support developing countries
- Build Green Hub Korea

### Indicative target

- Green ODA
- EPI



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## Key Strategies in Forest policy

### Build Society that Circulates and Absorbs Carbon

#### Expansion of Carbon Sink

- Promote afforestation of unused land, plant more trees in forests
- Develop and diffuse tree species with much carbon absorption capacity

#### Development of Bio-circulation forest

- Create bio-circulation forests with fast-growing and productive trees (e.g. tulip trees)

#### Expansion of production and use of wood

- Create carbon-circulation system by expanding use of wood pallets



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## Key Strategies in Forest policy

### Sustainable Management of Forests

#### Establish conservation basis for forest ecosystem and flora & fauna

- Establish long-term forest ecosystem monitoring system and analysis system
- Manage forest ecosystem

#### Upgrade infrastructure and system for addressing forest disasters

- prevent and extinguish forest fires
- Advance management of regions with landslide risks



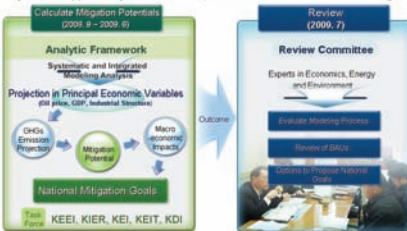
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## V. Recent Progress in Korea

Mid-term Reduction Target

### Analytic Framework

Systematic Approach by Research Team, Review Committee and Public Hearing



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## V. Recent Progress in Korea

Mid-term Reduction Target

Setting National Mid-term Reduction Goal(2009.11.17)

Decision Made on Mid-Term GHG Reductions Goal by 2020 at the Cabinet Meeting: To Cut GHG Emissions by 30% from BAU



Cabinet Meeting

Decision Made for the Biggest National Interest (Weekly Cabinet Meeting)

Removing Trade Barriers, Enhancing Energy Security, Precopying Global Green Markets

Transformation to Green Lifestyle with Connected Efforts Among Citizens, Firms and Governments

Creating More Conducive Atmosphere for all Citizens' Active Participation

### Mutual and Voluntary Cooperation

- Announcement of Unilateral and Voluntary Mitigation Goals to Share the Global Mitigation Efforts
- Proactive Participation in Global Efforts Against Climate Change as an Early Mover
- Implementation of the Goals Independent of the Outcome of COP 15 in Copenhagen

Goal Set at Maximum Level of GHG Mitigation Potential of Korea

- Core Quantitative Target for Low Carbon Green Growth
- Accelerating Transition to Low Carbon Green Growth Economy with Implementation of Ambitious Goal

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## V. Recent Progress in Korea

East Asia Climate Partnership



### Background & Goal

- Korea announced a plan to launch East Asia Climate Partnership to help developing countries in East Asia combat climate change
- To create win-win synergy between the climate and the economy in East Asia
  - By exploring Low Carbon Green Growth paradigm
  - By promoting regional adaptation & response to adverse impacts of climate change



### Implementation

- Focus on Cooperation – energy efficiency, clean& renewable energy, sustainable water & Forest management
- Implementing Institutions – KOICA in consultation with East Asian Countries and IET organizations



### 1<sup>st</sup> East Asia Climate Forum

- High-level economy climate forum participated by ministerial-level officials from 5 East Asian countries and high-level representatives of ADB, UNEP, ESCAP and green experts from US, UK, and Japan
- Adopted Seoul Initiative for Low Carbon Green Growth in East Asia

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## VI. Challenges Ahead

Continued support from the public  
- the key to success of Green Growth

Support from business community

- meeting its needs to adapt & change
- setting a price on target
  - emission trading & carbon tax



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