Suggestions for Korean Green New Deal

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01. Brief Summary of Green New Deal Programs
Korean Green New Deal
The Structure of Korean New Deal

National development strategy overcoming crisis and leading global economy after COVID-19

**Digital New Deal**
Acceleration and diffusion of digital innovation and dynamics in the overall economy

**Green New Deal**
Acceleration of eco friendly · low carbon transformation based on economy

**Reinforcement of Human Investment**

**Industry · Technology Converged Innovation**

**Strengthening the Safety Net**
People-centered Inclusive State as a foundation

Source: The joint group of relevant bodies, Republic of Korea, 2020
The Strategy of Korean Green New Deal

Digital New Deal

1. Strengthen D.N.A. Ecosystem
2. Digital Transformation of Education infrastructure
3. Foster non face-to-face industry
4. Digitization of S.O.C

Green New Deal

5. Green Transformation of Urban · Space · Living Infrastructure
6. Proliferation of low carbon · decentralized energy
7. Building an innovative ecosystem for Green Industries

Source: The joint group of relevant bodies, Republic of Korea, 2020
US Climate Policy
Joe Biden’s Climate Plan: a Clean Energy Revolution

“Make climate change A core national security”

Linking economic recovery from The COVID-19 pandemic to addressing climate change

Eradicate carbon pollution from the power sector by 2035 and achieve net-zero emissions by 2050

Make a federal investment of $1.7 trillion over the next 10 years on climate plan
Joe Biden’s Year One Legislative Agenda on Climate Change

**RESEARCH & INNOVATION**

- Establishment of ARPA-C (Advanced Research Projects Agency focused on Climate)
- Development of CCUS (Carbon capture, use and storage)
- Enactment of national Strategy for developing low-carbon manufacturing sector

**ENERGY EFFICIENCY**

- Improvement of energy efficiency of buildings (Reducing the carbon footprint of U.S. building stock by 50% by 2035)
- Incentives for retrofits Which combines clean power generation
- Alteration of housing Policies for reduction of commute times for decreasing CO2 emission

**TRANSPORTATION**

- More than 500,000 new public electricity charging outlets by 2030
- Incentives on electric vehicles with tax credits
- Flexibility on using funds to develop cleaner transportation system
Chinese Green New Deal
Chinese Green New Deal

‘2020 Major Economic Social Development Goals’
Includes the goal of Green Development

- Energy low-carbon development
- Innovation in Energy consumption and supply systems
- Strengthen International cooperation

15% reduction in energy consumption per unit of GDP
Continuous reduction in major pollutants emissions

“Environmental Protection makes Economic Growth”
Chinese Sustainable development: the ‘Green Development’

**CONVERGENCE OF INDUSTRIES**
- Supporting new industries’ marketization of new technology and renewable energy research
- Strengthening the protection of intellectual property rights

**SUSTAINABLE CONSTRUCTION**
- Building smart cities with facilitating AI and big data
- Urbanization including eco-friendly infrastructure
Chinese Sustainable development: the ‘Green Development’

**NEW ENERGY VEHICLE**
- Enhance the competitiveness of new energy car industries (electric vehicles, PHEVs, fuel cell vehicles)
- Introduce electric vehicles from public sectors to rural areas

**ENERGY SECURITY**
- Improving efficiency of coal utilization
- Expanding renewable energy generation
- Refining the production-supply-sales system of energy
The European Green Deal
The European Green Deal

No net emissions of greenhouse gases by 2050

EU's greenhouse gas emissions reductions target for 2030: at least 50% and towards 55% compared with 1990 levels

Economic growth decoupled from resource use

The European Commission’s annual investment of 260 billion euros

Reducing emissions of greenhouse gases while maintaining economic growth

(2018: Emission 23% lower than in 1990, GDP grew by 61%)
Outlines and Plans
: Designing Transformative Policies

- Climate Ambition
  - Revising all relevant climate-related policy instruments → Ensuring effective carbon pricing and behavior change

- Clean, Affordable and Secure Energy
  - Revising energy and climate plans by 2019
  - European Commission’s guidance given in 2020
  - Development of power focusing on renewable sources

- Mobilizing Industry
  - Support energy-intensive industries to decarbonize their products through circular economy action plan

- Energy-Efficient Building and Renovating
  - Renovating public and private buildings along with legislation related to energy performance
  - Collaboration with multi stakeholders
Outlines and Plans
: Designing Transformative Policies

- **Sustainable Smart Mobility**
  - Increase capacity of railways and inland waterways for sustainable mobility services & alternative fuels
  - → Reducing congestion and pollution

- **Environmentally Friendly Food System**
  - Agricultural funds’ contribution to climate action
  - → stimulating sustainable food consumption

- **Preserving and Restoring Ecosystems**
  - The Conference of the Parties on Biological Diversity Biodiversity Strategy from European Commission in 2020

- **A Zero Pollution Ambition**
  - Revising air quality standard to align with the WHO’s recommendations
  - Change on EU’s measures regarding climate change
02. Suggestion for Korean Green New Deal
Observation: Current Korean Green New Deal

Short-term Economic Recovery

Long-term Green Transformation
Observation: Current Korean Green New Deal

Public-driven (Supply-driven) Infrastructure Policy Packages

- Too much weight on short term economic recovery packages (New Deal)
- Not clear about long-term vision and strategies for economic system (infra) transformation

Unclear long-term vision

- Declaration of Net Zero Emission is necessary condition
- Mid-term NDC plan & LEDS are not yet fully incorporated
- Long-term socio-demographic factor are not linked
- Linkage with SDGs is not visible
Climate Adaptation Plan

- Climate adaptation policies and plans are not visible
- Local authority participation process is to be considered
- Co-benefits of climate adaptation policies are not visible

Investment & Financing Strategies from Private Sector

- Financing mechanism & modalities are not clear
- Incentives & dis-incentives of private sector participation are not yet fully designed
- Project development mechanism is not clear
Suggestions for Korean Green New Deal

Design detailed mechanism for the private sector participation

- How to participate into the digital new deal + green new deal packages
- R&D for green technologies
- PPP, SME participation

Participatory Process & Impact Assessment

- Multi-stakeholders’ participatory process & mechanisms are required
- Transparency & impact assessment process are needed
- Private sector engagement plan is necessary

Linkage with ODA & EDCF programs

- Develop green opportunities abroad
  - Public-driven: developing countries
  - Private-driven: developed markets
- Partnership with bilateral & multilateral agencies
  - MDBs, GCF, UN agencies, bilateral donor agencies…
- Knowledge & Experience Sharing Programs
  - Upgrading existing programs (KSP, DEEP, …)
### Economic Development Cooperation Fund (EDCF) - Project Overviews (2016-2019) -

Unit: Mill KRW

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<th>Year</th>
<th>Approved Value</th>
<th>Transport.</th>
<th>Communication</th>
<th>Energy</th>
<th>Water &amp; Sanitation</th>
<th>Environment</th>
<th>Health</th>
<th>Education</th>
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| %    | 35.1%          | 4.6%       | 13.4%         | 8.6%   | 6.9%               | 13.8%       | 6.9%   | 4.7%      | 5.4%                  | 0.7%                    | 100.0% |
Economic Development Cooperation Fund (EDCF) - Climate Change Response Projects -

Recipient Countries
- Strengthen capacity to cope with climate change
- Prevention of infectious diseases and improvement of overall living conditions
- Reducing GHG emissions and contributing to stable and sustainable economic growth

Rep. of Korea
- Developing business opportunities for Korean private sectors

International Community
- Cooperation in international efforts to achieve SDGs to respond to climate change in developing countries

Source: EDCF Official Blog
KOICA’s Mid-term Action plans to achieve SDG13 (2019-2021)

“Development Cooperation of co-growth to promote inclusive peace and prosperity with a human face which leaves no one behind”

- Increased climate action through projects
- Expansion of climate action partnerships
- Strategic Objective
  - Improving developing countries’ capabilities to address climate change
  - Strengthening the basis for project implementation
- Reinforced management in environmental impact of climate change
- Coordination with climate resources

Source: KOICA Official Website
KOICA’s Projects by Sectors (2020)

16.67% support in Technology, Environment and Energy sector

Source: ODA Information Portal
THANK YOU