Korea’s Country Statement

[Greetings]

□ I express my gratitude to the Chinese government, especially to the host, Mr. Xie Zhen hua, who has done an excellent job preparing for this 3rd APP Ministerial Meeting, and also to the APP secretariat which has overseen this event.

○ Now is the time that technological innovation and diffusion are both critical to combat climate change and overcome the global economic crisis.

- Since APP is a technology-oriented cooperation of public- private partnership, I believe APP will meet the expectations of the international society to play such a role.

○ With just over one month left till December's Copenhagen negotiation, I hope to see constructive discussion at this meeting to create the momentum needed to reach an agreement at Copenhagen.

- In addition, I hope the Communique which will be announced today will be an opportunity for the countries gathered here to proclaim their will to combat climate change.

[Korea's Policy Direction of Green Growth]

□ Due to high oil prices and economic crisis, securing energy and resources and quick response to climate change will determine a country's future competitiveness.

○ Due to such circumstances, developed countries are actively responding with green technology strategies to achieve economic growth and create new jobs.

○ Korea has achieved fast economic development in the past through investment-centered development in quantity, but its limitation through this process was exposed during the Korean financial crisis.

- To make a transition from quantitative growth to quality growth, President Lee declared the vision of 'Low Carbon Green Growth' on August 15th last year.

□ 'Green Growth' is the new national development paradigm which minimizes environmental pollution and GHG emissions while achieving economic growth, creating new growth engines.

○ To provide a solution to the global issue of climate change, Korea is breaking away from the conventional passive response to shifting the high energy consuming, fossil fuel - dependent society and economy towards a low-carbon system.

- 'Green Growth' is a new positive concept which fosters a new strategic industry, creates new jobs and new growth engines through development of green technology and clean energy.

□ Through 'Green Growth', Korea expects to ① expand new growth engines ② improve the quality of people's lives and environment, and ③ lead international efforts by active response to climate change.

○ Foremost, by increasing green technology R&D expenditure, Korea will focus on developing green energy technologies, such as new renewable energies such as solar and wind power, Coal-to-Liquid(CTL), green cars, LED light, etc.

○ Also, by improving society's structure such as low carbon highways and traffic, and strengthening the climate change adaptation system, the goal is to enhance people's quality of life.

○ Finally, to show global leadership in the issue of climate change, Korea will announce its mid-term GHG mitigation goal for 2020 within this year, and plans to expand financial support for developing countries.

[Details of 'Green Growth']

□ To systematically and strongly promote Green Growth policies, Korea has established the "Presidential Committee on Green Growth"('09.1), and is in the process of enacting the "Basic Act on Low Carbon Green Growth". (currently pending in National Assembly)

○ Energy policies which directly affect GHG mitigation has been specified through a series of policies such as the 'National Energy Basic Plan'('08.9), 'New and Renewable Energy Technology Development·Utilization·Diffusion Plan'('08.12), and 'Green Energy Industry Development Strategies('08.12)'.

- These policies are largely divided as using energy as least as possible, and if using energy the use of clean energy should be increased to minimize the burden on the environment, and finally by developing the green energy industry as the new growth engine.

○ Foremost, to reduce the use of energy Korea plans to improve its energy efficiency by 46% compared to the current level by year 2030.

- Korea plans to ban the low-efficient incandescent bulbs by 2013, and set fuel-efficiency standard for hybrid cars and provide incentives such as tax favors* for high-efficient hybrid cars.

○ Second, plans to largely expand nuclear energy and new renewable energy which are clean and self-supporting energy sources.

- Regarding new and renewable energy, its percentage in the entire energy supply will be expanded from the current 2.4% to 11% by 2030, and a total of 5.5 billion dollars of expenditure will be invested in R&D by 2020.

- As for nuclear energy, new plants will be continuously built and its percentage in the entire energy use will be greatly expanded from the current 15% to 28% by 2030.

○ Finally, as the core of the 'Green New Deal,' 'Green Energy Industry' will be promoted as the new growth engine.

- Green Energy Industry is largely divided into three areas: first, new renewable energy sector such as wind and solar power, second clean coal energy sector such as CTL(coal-to-liquid), GTL(gas-to-liquid), CCS(carbon capture and storage), third sector for improving energy efficiency such as LED, smart grid and energy storage. A total of 4.6 billion dollars will be jointly invested by the private-public sector for the next 4 years (Government 1.4 billion + Private 3.2 billion, total 6 trillion Korean won).

- Korea will especially focus investment in the smart grid area in which Korea's IT competitiveness and energy industry can be combined to achieve tangible results.

○ Other than the areas mentioned above, Korea will promote 'Green Transformation' through environmentally-friendly products and efficient manufacturing process in existing main industries such as automobile, ship building, steel, and semi-conductor.

[APP Participation and Future Plans]

□ Korea has acknowledged APP as a useful method to respond to climate change along with UN negotiations, and has actively participated since its initiation.

○ Since the beginning of APP, Korea has recognized the importance of T/F activities and has actively participated in them.

- Korea has chaired the Building·Appliance(BATF) and Renewable Energy & Distributed Generation T/F(REDGTF) and has actively taken part in developing new projects for clean fuel energy, power generation and transfer, cement, and steel.

- This year, Korea held the Clean Fuel Energy T/F Meeting in March, and in July the Cement T/F Meeting and Power Generation and Transfer T/F Peer Review was held.

○ Korea is currently focused on participating in over 30 projects in 6 T/Fs and is reviewing participation in additional projects.

- Recently, private GHG mitigation technology development and investment is increasing stimulated by domestic green growth policies.

- In this matter, I believe potential domestic and international projects is prospected to be found and vitalized with government support, and efforts will be made to make such projects discussed and selected in the T/Fs.

□ APP has so far verified its usefulness of complementing the negotiation scheme of UNFCCC.

○ APP has been able to cumulate valuable experiences of technology transfer, collaborative technology development, and technology diffusion. With the active participation of the private sector and governmental support, APP has a great potential to present solutions to deadlocked technology issues.

○ In addition, since APP is a partnership with only 7 member countries in Asia Pacific region, it has relatively fewer variables than other international organizations. And it can give significant impacts to all the other countries around the world with its member countries' advanced GHG reduction technologies and huge amount of energy consumption and GHG emissions.

- As everyone might already acknowledge, various projects to effectively respond to climate change has been launched within APP and expect that such continuous efforts to combat climate change will be accelerated in the future.

○ In such aspect, APP upholds values differentiated from the recent activity by the MEF, and by establishing new technology areas, and settling repetitive areas in comparison to MEF, it may be possible to synergize the activities of APP and MEF.

- In Korea's case, it is a lead country in Smart Grid within MEF, and Korea proposes to develop a method how to make the best of APP by making it an institution which can lead private-public cooperation through actual project discovery after each country establishes its international roadmap.

□ The Energy Technology Cooperation Center, proposed and promoted by Korea, has completed the technology and related database website by experts ('09.March)

○ As experts from Partners will be asked to collaborate to establish detail operation plans and database, I ask all Partners to use the website, and cooperate to vitalize projects through establishing database on it.

[Concluding Remarks]

□ Although sustainable growth through climate change response is a hot topic, most people are quite worrisome over whether simultaneously achieving economic growth and GHG reduction is possible.

○ Despite such worries, Korea is making dramatic investments in developing low-carbon technologies and is using it as a new growth engine to establish a framework for a positive cycle of economic growth and GHG emissions reduction, and through this green growth strategy, Korea is overcoming such difficulties.

○ To actively tackle climate change, a paradigm shift is necessary to perceive response to climate change as an opportunity instead of a challenge.

□ As widely recognized, technology is the most critical and most effective method of responding to climate change.

○ Despite the limitations that APP currently holds, by maximizing its positive points, I hope that it will be established as an model example of international technology cooperation.

[Proposal of Holding the 10th PIC Meeting In Korea]

□ APP is meeting its 4th year since its establishment, and an opportunity must be made to evaluate the results of each T/F's activities and publicize such results.

○ One method would be to cooperate with the exhibition of the hosting country of an PIC Meeting, and participate by hold an exhibition boot of each T/F.

□ In such context, and considering the order of holding the PIC Meetings, Korea proposes to hold the 10th PIC Meeting next year in Korea.

○ It is also possible to link the PIC Meeting with the G20 Summit to be held in Korea, or the Green Hub Korea which is an opportunity to exchange information on green energy technology and industry, or the Green Growth Expo.

○ In such cases, Korea will review how to minimize the burden of installing booths and reduce costs, etc.