

## PRESS RELEASE

# Despite 2050 carbon-neutral pledge, S. Korea falls behind G20 on climate action

***Renewables' share of power generation in South Korea one-fifth of G20 average; country ranks 4th among G20 members on fossil fuel finance, receives 'negative' green Covid-19 recovery score despite Green New Deal stimulus due to fossil fuel-based industry bailouts***

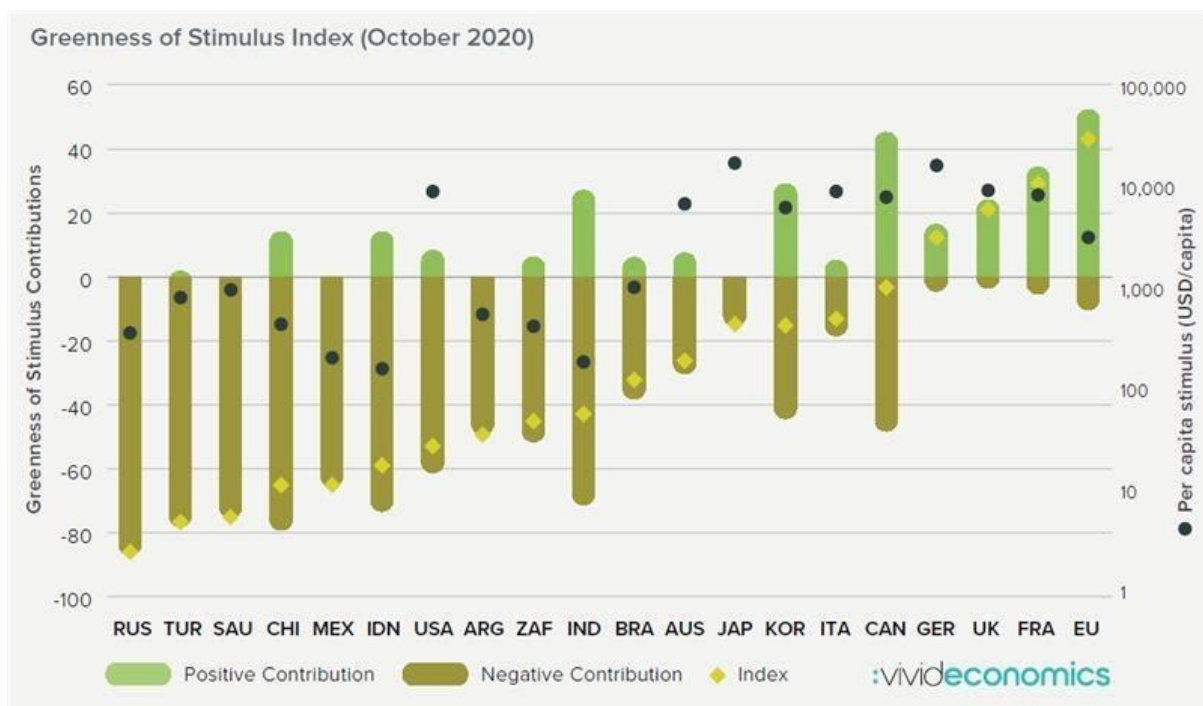
November 18, 2020, SEOUL, Korea - Despite its recent pledge to go carbon neutral by 2050, South Korea is falling behind G20 members on renewable power generation and sustainable finance, according to *Climate Transparency Report 2020*, an annual collaboration between 14 major research institutes assessing G20 countries' climate performance in 2019 as well as emissions impacts of the Covid-19 crisis and governments' response.

The [report](#) found that in 2019, energy-related CO2 emissions declined in the G20 for the first time due to climate policies rather than external shocks (such as the 2008/9 Financial Crisis) by 0.1%, down from a 1.9% growth in 2018. The share of renewable energy in power generation increased in 19 of the G20 countries in 2019, accounting for 27% of power generation in the G20. It is projected to continue increasing in all G20 countries and will likely make up almost 28% of power generation in 2020.

In South Korea, too, energy-related CO2 emissions went down in 2019, for the first time since 2014. The country's performance on key climate action areas, however, continues to lag behind that of G20 members. **Some of the main findings related to South Korea can be found below:**

- **South Korea's per capita greenhouse gas emissions are nearly twice the G20 average:** The report found that South Korea's per capita greenhouse gas emissions between 2012 and 2017 averaged 13.65tCO<sub>2</sub>e, nearly double the G20 average of 7.15tCO<sub>2</sub>e. Over the five-year period, South Korea's emissions have risen by 3.6% annually on average, while the G20 average has dropped by 2.9% annually on average.
- **South Korea's current 2030 emissions target is "highly insufficient":** Korea needs to reduce its emissions to below 217 MtCO<sub>2</sub>e by 2030 and to below -309 MtCO<sub>2</sub>e (net sink) by 2050 to be within its fair-share range. Korea's 2030 Nationally Determined Contributions (NDC), however, would only limit its emissions to 539 MtCO<sub>2</sub>e, which has been deemed "highly insufficient."
- **Renewables' share in electricity generation in South Korea is less than a fifth of the G20 average:** Renewables, including hydropower, accounted for only 5% of the country's power generation -- less than one-fifth of the G20 average of 27%.
- **South Korea is the 4th largest G20 public fossil fuel financier, providing an annual average of US\$ 6.4 bn in fossil fuel finance between 2016 and 2018.** More than US\$ 2 bn in export credit and government bank loans is expected to follow decisions on overseas coal power investments in Indonesia and Vietnam made by majority state-owned utility Korea Electric Power Corp. this year.

- Due to fossil fuel industry bailouts, South Korea receives a ‘negative’ Covid-19 green recovery score despite the highest green spending of any G20 country:** South Korea made the largest positive contribution in terms of green stimulus spending among G20 member countries (i.e. excluding the European Union) this year through the Green New Deal. However, this stimulus plan is only expected to save 12.3MtCO<sub>2</sub>e in greenhouse gas emissions by 2025, which is approximately equivalent to the annual greenhouse gas emissions expected from the Samcheok Bluepower coal power project currently under construction. South Korea’s green stimulus amid the Covid-19 pandemic was outpaced by support to polluting industries, including an extension of tax deductions for car manufacturers and lower new car sales taxes, a US\$ 2.5 bn bailout to the airline industry, and a US\$ 3 bn bailout to a single coal plant manufacturer, Doosan Heavy -- all without green conditions -- resulting in a negative index score. The Greenness of Stimulus Index figure (p.16 of the summary report) can be found below:



South Korea’s large greenhouse gas footprint is attributed to its high reliance on coal power - which accounts for over 40% of its electricity generation. South Korea must phase out coal power by 2029 in order to its fair share under the Paris Agreement, according to researchers. However, renewables make up only 5% of total generation, a figure attributed to land and maritime siting and permitting restrictions and outdated grid management and power market policy. South Korea currently has a target to boost renewables’ share in its power generation mix to 20% by 2030.

**Professor Dr. Peter Eigen, Co-Chair of Climate Transparency and Funder of Transparency International**, on the findings, said: “Governments, including South Korea’s, must make their energy policies and public finance consistent with their long-term emissions goals. With emissions per capita nearly twice the G20 average and a ‘highly insufficient’ NDC, as noted in our report, South Korea has a lot of work ahead to go carbon neutral by 2050. We hope that South Korea can accordingly phase out coal power by 2029 and

enhance its 2030 emissions reduction target to do its fair share under the Paris Agreement, and shift its finance away from fossil fuels toward renewable energy.”

**Joojin Kim, Managing Director of Seoul-based NGO Solutions for Our Climate**, said: “Korea’s current energy plans and investment decisions are inconsistent with Korea’s 2050 carbon-neutral pledge. Korea could take meaningful action toward this commitment by withdrawing from planned overseas coal power investments in Indonesia and Vietnam, stopping the construction of new coal and combined gas power plants at home, and lifting the various barriers -- land and maritime, grid management and power market restrictions -- that have led Korea to fall so behind the G20 on renewable energy generation.”

**ENDS.**

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## Notes

**1. Other notable findings from South Korea’s profile in the 2020 Climate Transparency report:**

- **South Korea’s greenhouse gas emissions trajectory is “critically insufficient”:** Korea’s greenhouse emissions have more than doubled, increasing by 136% from 1990 to 2017; emissions are more in line with a 4°C+ range, which is “critically insufficient”.
- **South Korea’s transport (excluding aviation) emissions per capita are nearly twice the G20 average:** South Korea’s transport emissions at 2.08 tCO<sub>2</sub>/capita are almost twice the G20 average of 1.16 tCO<sub>2</sub>/capita in 2018. Transport emissions have increased over 2013-2018 by 13.5%, while the G20 average has increased by 5.5%.
- **South Korea’s aviation emissions per capita are more than double the G20 average:** South Korea also notably had high average aviation emissions in 2017 with 0.40 tCO<sub>2</sub>/capita compared to the G20 average of 0.16 tCO<sub>2</sub>/capita. South Korea’s aviation emissions per capita grew by 27.7% while the G20 average grew by 18.7% between 2012 and 2017.
- **South Korea’s building emissions per capita are more than twice the G20 average:** Building emissions in South Korea, including indirect emissions, are more than double the G20 average of 1.48 tCO<sub>2</sub>/capita at 3.24 tCO<sub>2</sub>/capita. Building emissions per capita have grown by 9.10% in South Korea over 2014-2019, while the G20 average increased by 1.82% over the same period.

## 2. About Climate Transparency

Climate Transparency is a global partnership of 14 think tanks and NGOs that brings together experts from the majority of G20 countries. Our mission is to encourage ambitious climate action in the G20 countries: we inform policymakers and stimulate national debate.

## 3. About the Climate Transparency Report

The Climate Transparency Report (previously known as "Brown to Green Report") is the world's most comprehensive annual review of G20 countries' climate action and their transition to a net-zero emissions economy. The independent, in-depth assessment draws on the latest analysis of international renowned data sets such as the OECD, World Bank, CAT, and IEA, as well as qualitative data from leading global experts in the field.

The review is based on 100 indicators for adaptation, mitigation, and finance compared against 1.5°C global benchmarks and aims to make good practices and gaps transparent. The summary report and 20 country profiles allow the report to be a clear reference tool for decision-makers. This year's report consists of two parts: the annual policy assessment based on data of the previous year(s) is complemented by an analysis of the impacts of the COVID-19 crisis and recovery efforts on countries' climate ambition.