

Hur utvärderas Koreas strategi för grön tillväxt?

Denna kortrapport är skriven av Izumi Tanaka vid Tillväxtanalys kontor i Tokyo och är en del av Tillväxtanalys löpande omvärldsbevakningsuppdrag.

Background

It has been four years since President Lee Myung-Bak announced the national vision for low-carbon green growth of South Korea. In January 2009, the Presidential Committee on Green Growth (PCGG) was established and the committee formulated the 'National strategies and five-year plan for green growth' in July 2009, signifying the high-level commitment and the top-down nature of the policy making to come. Commencement of structure and framework took place from August 2008 to the end of 2009, such as formation of PCGG. Then the 2010 and 2011 were the implementation phase, for example introduction of an emissions trading scheme (ETS), to show tangible results. Global capitalization of green growth, as seen in development of Global Green Growth Institute (GGGI) into a treaty based organization, was seen in 2012. The initiatives surrounding green growth including the establishment of GGGI with initial funding coming from the Korean government, has caught attention of the world.

On the other hand, there has been criticism the allocated budget of two per cent of GDP for the green growth policy, half of it is going into projects on the four major rivers. The 20 billion-dollar four major river restoration projects are designated as measures of adaptation (to climate change) and to control flood. However, there are projects to create water storage of 100 million tons of water with 16 more dams, which may cause more pollution. The question is repeatedly asked of whether or not the four river restoration projects is in fact not at all an adaptation measure but really a big public works project to benefit construction companies.

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This is an example of the growing political polarization surrounding the green growth strategy and its implementation in Korea.

Now President Lee's first term of office is coming to an end with a presidential election to take place in December 2012. This PM summarizes objective and subjective evaluations of the green growth policies based on interviews to experts and literature review¹.

Expert's views on the Green Growth Strategy

Many of the experts interviewed agreed "green growth" as a vision is good. In surveys conducted, results indicated the public feels green growth is one of the important policies. Also, the government has done an excellent work in drawing international attention and in claiming to serve as a bridge between interests of developed and developing countries. Promising a reduction target of 30 per cent in national greenhouse gas emission by 2020 to the international community has certainly helped to build the green reputation.

However, experts claim there is room for improvement of the policy process domestically. There is little evidence the public's understanding of green growth extends beyond comprehending the term itself; changes in the life style is yet to come. It is often pointed out the government hurried trying to accomplish too much in one presidential term. The policies are criticized to be not so well-designed, having many projects proposed without priority. As same way the current government was criticized regarding FTA, domestic promotion and building competence on the topic was neglected. Lacking dialogue with general public and domestic consensus was the opinion shared by many of the experts interviewed. Overall sentiment is that establishment of the vision and the framework for green growth is the positive aspect, however there is much improvement to be done in the implementation of the measures.

Evaluation of progress is incorporated into the routine reporting on green growth. From 2011, over ten "reporting session to the President or Prime Minister" has been conducted. In these sessions, review of the implementation and suggestions for future policies are included. Indicators are defined by and data is provided by the responsible ministry. For example, for renewable energy, Ministry of Knowledge Economy is the responsible ministry and investment in R&D and amount invested by the private sector are the designated indicators. Each ministry has assigned a person in charge of green growth matters. The reporting session is attended by all Ministers (accompanied by assigned responsible persons) and expert panel. PCGG feels the structure and process of policy making in green growth has laid foundation for green growth to be incorporated into all areas of policy making and institutional thinking in ministries. However, some of the interviewed experts explicitly expressed the ministerial differences and conflict is yet to be overcome.

Use of electricity pricing has been noted by civilian chairperson of the Committee and most experts interviewed as an effective tool to curve greenhouse gas emission

¹ Interviewees consists of government officials and university professors serving on expert panels of the government and involved in academic initiative on evaluation of the green growth policy

and the increasing trend in electricity consumption. Korea Electric Power Corporation (KEPCO) is a public-listed company with the Korean Government controlling over 51 per cent of the stock. The government determines the electricity pricing and the current price stands lower than the cost of power generation. Repeated price increase was requested by KEPCO, 13 per cent in April 2012 and 11 per cent in July 2012, however the government only approved 4.9 per cent in August 2012. In the near future, especially before the presidential election, raising electricity price is not likely to happen.

Measures taken to improve policy learning and raise public awareness

There have been initiatives to objectively measure the progress of green growth policy. Since July 2012, Statistics Korea has opened a web portal of statistics related to green growth, called Green Growth Indicator Homepage¹. This page features indicators such as Green Growth Policy Indicators to assess the level of implementation of the Green Growth National Strategy, OECD Green Growth Indicators to evaluate the level of development of green growth in accordance with the measurement framework in the OECD and Sustainable Development Indicators to assess sustainable level of development and demonstrate the preferred direction of national development. The former two indicators are responsibilities of Statistics Korea and the latter is handled by Ministry of the Environment. The portal also has content called “My Green Living Score?” as one of the ways to educate the public on this topic.

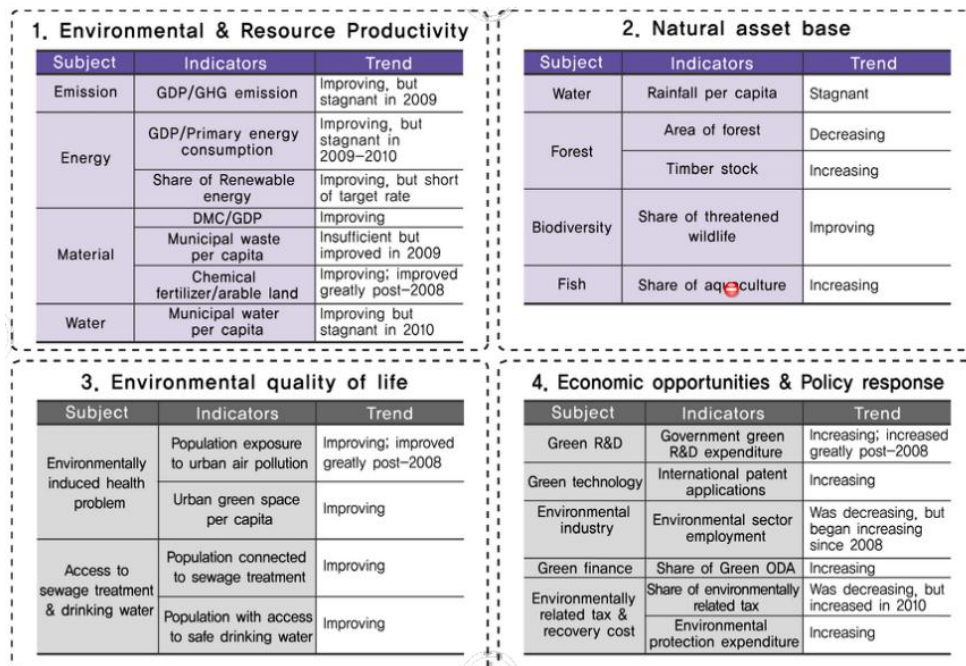


Figure 1 OECD- Green Growth Indicators

Green technology is an important aspect of green growth and the investment into 27 key technology areas (i.e. renewable, nuclear etc.) is evaluated. For each of the designated 27 key technology areas, a roadmap is drawn by the responsible ministry. For example, nuclear and renewable energies are handled by the Ministry of Knowledge Economy and biomass R&D and commercialization is the responsibility of the Ministry of Education, Science and Technology. So far, good progress has been seen in the investment, and to some extent, commercialization but market and industry participation and involvement of the residential sector has not been so successful.

Concluding remarks

Traditionally, Korea has used command and control policy instruments such as regulations but is making a transition to use more financial incentives, such as subsidies to change consumer behaviour. The coming pressing issue will be to increase efficiency of the investments and to prioritize and focus on technologies with greater impact potential. Use of policy instrument, such as cap and trade to enhance the direct link between R&D and commercialization and increase of the market demand is needed and is being considered. Current S&T policy is very top-down and creating good entrepreneurship environment is essential and is a challenge.

ⁱ Note title of the page and all names of indicators are tentatively translated. Also the page, green.kostat.go.kr appears to be inaccessible at the time of press.