

## Press Statement on the Occasion of the Second Meeting of the Danish-Korean Green Growth Alliance

Recalling the successful launch of the Green Growth Alliance between the Government of the Republic of Korea and the Government of the Kingdom of Denmark during President Lee Myung-bak's State Visit to Denmark 11-12 May 2011, the Korean Government hosted, 15 May 2012, the second meeting of the Danish-Korean Green Growth Alliance on the occasion of the Official Visit to Korea by H.R.H. the Crown Prince of Denmark.

Reiterating our joint commitment to promote a paradigm shift towards green and low-carbon economic growth through political, commercial, technological and research cooperation;

Recognizing the progress made in terms of increased cooperation between public and private entities in Denmark and Korea since the launch of the Danish-Korean Green Growth Alliance;

Agreeing on a process to institutionalize the Danish-Korean Green Growth Alliance during the Global Green Growth Forum in Copenhagen 9 - 10 October 2012 and initializing the agreement to that effect;

Denmark and Korea maintain some of the most ambitious national plans for a transition to greener and more energy efficient economies with a greater share of renewable energy and lesser dependence on fossil fuels. While Denmark is a 'first mover' on these issues, effectively decoupling economic growth and energy consumption since the oil crisis in the 1970s, Korea is a 'fast mover' on green growth with comprehensive national and international initiatives to establish the country as one of the foremost green economies of tomorrow. The Governments agree to continue to cooperate to support each other's plans in this respect.

The Danish Government's new Energy Agreement 2012 - 2020 establishes clear targets for the conversion of Denmark to a fossil-free society by 2050. By 2020 gross energy consumption will be reduced by 12 % compared to 2006; 35 % of total energy consumption will come from renewable sources and 50 % of all electricity consumption will come from wind energy. To fully utilize the energy generated by wind, a comprehensive strategy for the establishment of smart grids in Denmark will be developed.

The Energy Agreement sets ambitious targets for energy companies to increase energy savings and for a comprehensive strategy for energy renovation of all buildings in Denmark. Coal-based heating will be outpaced and replaced by biomass, and investments will be made to promote new renewable heating technologies, such as geothermal energy and large heat pumps.

To promote investment in energy efficient use of renewable energy in industries, annual subsidies of \$ 44 million in 2013 and \$ 88 million in 2014-2020 will be allocated.



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A radical conversion of the transportation sector from fossil fuels to electricity and biofuels will be initiated and facilitated through subsidies of \$ 12.3 million earmarked for recharging stations for electrical vehicles, infrastructure for hydrogen cars and for gas in heavy transport. By 2020 10 % of fuels for the transport sector will be biofuels.

To enable the doubling of wind energy in electricity consumption from 25 to 50 % the Danish Government will construct a total of 1,500 MW offshore and up to 1,800 MW onshore wind turbines, while approx. \$ 22 million will be spent on development and use of other renewable technologies such as solar and wave energy.

The Korean Government remains committed to its Low Carbon Green Growth Strategy and a voluntary target for greenhouse gas emission reduction, which is 30% reduction from the BAU level by 2020. This is the highest reduction level based on UN's recommendation for developing countries to cut GHSs 15~30% on the BAU basis.

As a part of the strategy, 497 companies which account for 68% of the Korean GHG emission have been included in the Energy Target Management Scheme and an Emissions Trading Scheme will be implemented from 2015.

Also, with the goal of achieving energy independence, renewable energy supply will be quadrupled in Korea's energy mix by 2030. For this, the government adopted a Renewable Portfolio Standard (RPS) in January 2012 with the target rising from an initial 2% of total electricity to 10% by 2022, replacing the Feed-In-Tariff (FIT) system. Korea is also to enhance its energy efficiency standard by setting a target of reducing energy intensity to 0.164 in 2030.

With 2% of national GDP allocation on green growth based on Five-Year Plan for Green Growth, public investment on green business has been increasing and Korea is underway to reaching its target of becoming the world's 7th largest green economy by 2020.

Korea has taken extensive measures to encourage green consumer behavior through the Carbon Point Card incentive scheme which now has more than 2 million household subscribers. New building codes are being developed to require new buildings to be energy neutral from 2025. Model residential areas, the so-called Green Home Park Complex, are being established as an example of low carbon lifestyles for other cities around the country to follow.

Since the launch of the Danish-Korean Green Growth Alliance, the Governments of Denmark and Korea have worked closely together to promote green growth globally.

Denmark continues its backing of the Global Green Growth Institute and fully supports the signing of an agreement on the conversion of the Institute into an international organization during the UN Conference on Sustainable Development, Rio+20, in June 2012. The Global Green Growth Institute is an indispensable part of global green growth architecture and Denmark is committed to its continued cooperation with the Institute.

Korea continues its active partnership in the Global Green Growth Forum, both through the government and private sector participation, to enhance the public-private dialogue necessary for a global transition to a green economy. The next Global Green Growth Forum will take place in Copenhagen 9-10 October 2012.

Denmark and Korea are committed to promote the green economy agenda, including 'Access to Energy for All', at the UN Conference on Sustainable Development, Rio+20. Korea and Denmark will work actively together to encourage countries, institutions and the private sector

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to set ambitious targets and to contribute actively to ensure access to sustainable and reliable energy for all.

In this context we take note of the ways and means to promote green trade liberalization, including the proposal of a Sustainable Energy Trade Agreement presented by the Geneva based think tank, International Centre for Trade and Sustainable Development (ICTSD).

Besides the initialization of the agreement on institutionalization of the Danish-Korean Green Growth Alliance by the Minister for Trade and Investment of Denmark and the Deputy-Minister of Foreign Affairs and Trade of Korea, the following cooperation agreements have been signed on the occasion of the second meeting of the Danish-Korean Green Growth Alliance:

The Danish Ministry of Science, Innovation and Higher Education and the Korean Ministry of Education, Science and Technology signed an MOU on bilateral co-operation in the field of science, technology, innovation and higher education. The agreement aims to facilitate co-operative activities such as joint R&D projects, exchange and training of undergraduate, postgraduate, Ph.D. students, scientists and technicians, exchange and sharing of equipment and research materials, etc.

As Denmark and Korea are global leaders on shipping, the Danish Ministry for Business and Growth signed an MOU with the Korean Ministry for Knowledge Economy to promote cooperation between Danish and Korean companies on green shipping.

The Danish Council for Strategic Research and the Korea Research Council of Fundamental Science and Technology signed a cooperation agreement to strengthen scientific collaboration in areas of interest to both parties and to achieve scientific and technological results of international significance that promote technological innovation and socioeconomic development. The agreement is to be implemented in collaboration with Green Technology Center – Korea.

The Confederation of Danish Industry and the Federation of Korean Industries signed an agreement of cooperation aiming to establish, extend and strengthen the long-term co-operation between the business communities of the Republic of Korea and the Kingdom of Denmark.

The Technical University of Denmark and Korea Advanced Institute of Science and Technology signed agreements on three Dual Degree Master Programmes: Mechanical Engineering, Engineering Acoustics and Electrical Engineering to promote student and faculty exchange, not least within sciences related to green growth.

The Technical University of Denmark and Korea Advanced Institute of Science and Technology also signed a MOU for collaborative research on offshore wind turbine systems. The MOU aims to establish research collaborations in several focus areas, e.g. tropical wind and wave design conditions for offshore wind energy plants, reliability of offshore wind turbine systems and offshore wind farm installation systems.

Danish Power Systems and Ioneercell signed a collaboration agreement for Ioneercell to be the exclusive distributor of Danish Power System's fuel cell materials in the Republic of Korea.

The Danish Meat Research Institute and Jeju Livestock Cooperative signed a MOU for the Collaboration in Designing a New ECO Friendly Pig Abattoir at the Korean island of Jeju.

Butina A/S, Korea Meat Association and JPS signed a MOU with regard to the establishment of a collaborative relationship in preparing a joint business case for Korea National Blood Processing Plant (KNBPP).

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Butina A/S and Pukyung Pig Farmers Agricultural Cooperative signed an agreement on the supply and installation of a CO2 stunning system for pig slaughter houses.

SFK Systems A/S and Haarslev Industries A/S signed a MOU for Business Cooperation with the Korean cities Gimje-si and Jinan-gun to contribute to the development of a resource efficient and green livestock industry.

Along with H.R.H. the Crown Prince of Denmark, the Prime Minister of the Republic of Korea, the Danish Ministers for Science, Innovation and Higher Education; Business and growth; Trade and Investment and the Korean Minister for Education, Science and Technology and the Vice-Ministers of Knowledge Economy; Foreign Affairs and Trade, more than 90 top-executives from leading Danish and Korean green companies, presidents of Danish and Korean research institutions and senior officials participated in the discussion on future cooperation on green business and green research & development. Cooperation on energy efficiency, renewable energy, electrical and fuel cell vehicles and hydrogen infrastructure, green shipping, smart grids and storage of energy, water resource management and climate change research were among the topics discussed at the meeting.

The two sides agreed to hold the third meeting of the Danish-Korean Green Growth Alliance in Denmark in 2013.