# Oxford Climate Policy Monitor 2024 Survey

**Jurisdiction** Republic of Korea

**Law firm** Kim & Chang

**Authors** Hye-Sung Kim (Lead), Joonyup Park, Yoomin Lee



The Oxford Climate Policy Monitor is a project by the Oxford Climate Policy Hub Visit <a href="https://climatepolicymonitor.ox.ac.uk/">https://climatepolicymonitor.ox.ac.uk/</a> for complete and up-to-date information

### Legal disclaimer

The content of the 2024 Climate Policy Monitor represents insights as at August 2024. While we endeavour to ensure that the information contained in the 2024 Climate Policy Monitor and on this website is accurate as at August 2024, policy and regulation may have changed since this time and the contributors to the 2024 Climate Policy Monitor do not assume any obligations or responsibility for updating or monitoring any such changes or for ensuring that the contents of the 2024 Climate Policy Monitor or this website is complete, accurate or up to date, or that the 2024 Climate Policy Monitor, the website or its content will remain accessible.

The Climate Policy Monitor is provided as a resource for research and policy information only. Because it is provided for information only, none of the authors of or contributors to this Climate Policy Monitor makes any representation as to its relevance to or completeness for any given situation. It does not constitute legal or other professional advice or seek to be an exhaustive statement of the law and is not intended to be, and should not be, relied on. Contributors to the Climate Policy Monitor are not liable for any direct, indirect or consequential loss or damage (howsoever caused) incurred by any person relating to the use of, inability to use, or reliance on the 2024 Climate Policy Monitor or this website or in connection with the data and/or insights provided.

The terms of use of and all issues regarding the 2024 Climate Policy Monitor and this website are governed by English law and all disputes shall be determined exclusively by the English Courts.

## Table of Contents

Policy Tool Name: ENVIRONMENTAL TECHNOLOGY AND INDUSTRY SUPPORT ACT	4
Policy Tool Name: FRAMEWORK ACT ON CARBON NEUTRALITY AND GREEN GROWTH FOR	
COPING WITH CLIMATE CRISIS	. 24

# Policy Tool Name: ENVIRONMENTAL TECHNOLOGY AND INDUSTRY SUPPORT ACT

3. Source material link(s): https://web.archive.org/web/20240813161012/https://www.law.go.kr/lsSc.do?section=&menuld=1&s ubMenuld=15&tabMenuld=81&eventGubun=060101&query=%ED%99%98%EA%B2%BD%EA%B8 %B0%EC%88%A0+%EB%B0%8F+%ED%99%98%EA%B2%BD%EC%82%B0%EC%97%85+%EC% A7%80%EC%9B%90%EB%B2%95#undefined
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
Climate-related disclosure
□ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
□ Head of state and/or government
□ Independent regulatory or supervisory body
<b>✓</b> Legislature
□ Judiciary
Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
O Approved, not yet in force
Other (Please describe)
9. Year of (planned) entry into force or year of publication

<u>2021</u>

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The Act is designed to contribute to the Korean government's goal of achieving carbon neutrality by 2050. To support and promote environment-conscious investment, the Act provides the legal basis for the establishment of "Green Grade System" which evaluates whether a certain business activity is sustainable and environmental friendly; and extends the scope of companies which are subject to the disclosure requirement of certain environment-related information.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
■ 1. Ministry of Environment
∘ 2.
∘ 3.
o <b>4</b> .
o 5.
15. To provide contextual information, rate the capacity of Ministry of Environment to undertake the policy tool's implementation and/or enforcement.
o 0- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

o 3- High Capacity (Please explain)
Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded	<b>✓</b>		
entities			
2. Private companies			
3. Financial institutions			$\checkmark$
4. Small and medium-			
sized enterprises			
5. State-owned			
companies			
6. Not-for-profit			✓
organizations			
7. Government	<b>✓</b>		
agencies and/or			
departments			
(supranational)			
8. Government			
agencies and/or			
departments (national)			
9. Government	<b>✓</b>		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government			
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	<b>✓</b>		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			<b>✓</b>
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

\_\_\_\_\_

27. Describe the threshold criteria to identify	entities for	whom or	instances in	which	compliand	e is
mandatory.						

	Publicly-traded entities	Government agencies and/or departments (local - e.g. county, district, municipality, city)
Minimum number of employees		
(Enter min number of full-time		
employees - FTEs)		
Minimum revenue (Enter		
minimum revenue)		
Minimum assets (Enter	2 Trillion Won	
minimum assets)		
Minimum contract value (Enter		
minimum contract value)		
Entity is headquartered in the		
jurisdiction		
Entities are subjected to		
disclosure or reporting		
requirements		

jurisdiction		
Entities are subjected to		
disclosure or reporting		
requirements		
28. Can entities for whom complic comply or explain)?	nce with the policy tool is mandat	ory opt out of the obligation (e.g.
No		
∘ Yes		
30. Does the policy tool exclusively entities' operations beyond the jur		tions, or does it also apply to
<ul><li>Operations within jurisdiction or</li></ul>	nly	
o Operations beyond the jurisdicti	on	
o Not applicable		

32. What are the sanctions for non-compliance? Select all that apply and describe in the text field.

Monetary fine a penalty surcharge not exceeding the amount equivalent to 2/100 of the turnover determined by Presidential Decree, rovided, That with respect to manufactures, etc. prescribed by

Restriction on business activities 1. Termination of the relevant violation; 2. Publication of the fact of receiving a corrective order; 3. Making corrective advertising; 4. Other measures necessary for the correction of such violation.  Voiding or setting aside of contract  Exclusion from government contracts  Award of damages or compensation  Penalty for senior managers  Criminal penalties imprisonment with labor for up to two years or by a fine not exceeding 20 million won  Not specified  Not applicable (e.g. in cases of voluntary tools)
□ Exclusion from government contracts □ Award of damages or compensation □ Penalty for senior managers ☑ Criminal penalties imprisonment with labor for up to two years or by a fine not exceeding 20 million won □ Not specified □ Not applicable (e.g. in cases of voluntary tools)
<ul> <li>□ Award of damages or compensation</li> <li>□ Penalty for senior managers</li> <li>☑ Criminal penalties imprisonment with labor for up to two years or by a fine not exceeding 20 million won</li> <li>□ Not specified</li> <li>□ Not applicable (e.g. in cases of voluntary tools)</li> </ul>
□ Penalty for senior managers  ✓ Criminal penalties imprisonment with labor for up to two years or by a fine not exceeding 20 million won  □ Not specified  □ Not applicable (e.g. in cases of voluntary tools)
<ul> <li>✓ Criminal penalties imprisonment with labor for up to two years or by a fine not exceeding 20 million won</li> <li>□ Not specified</li> <li>□ Not applicable (e.g. in cases of voluntary tools)</li> </ul>
million won  □ Not specified  □ Not applicable (e.g. in cases of voluntary tools)
□ Not applicable (e.g. in cases of voluntary tools)
□ Other
33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer
34. Provide supplemental explanation of your assessment of the associated costs of compliance. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>Presidential Decree, where a violator has no turnover or where it is difficult to compute the turnover, a</u>

35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
o Above average
o Not applicable
● Unknown or prefer not to answer
27. Have the eliments are either and in their instrument are the enterprise 12.
37. Have the climate-specific provisions in this instrument ever been enforced?
o No (If relevant, explain)
Yes
38. Briefly note one to two exemplary cases of enforcement. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
None (no case where monetary fine/criminal penalties provided)
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes
40. Describe the monitoring systems in place. Please reference the relevant

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

#### Article 28 (Follow-Up Management)

(1) The head of a related central administrative agency may require (i) Research institutions, etc.; (ii) Persons who are provided with financial support, subsidy, or loans etc. to report on the present status of the conduct of related business and assign related public officials to investigate necessary matters or make inquires to interested persons to confirm the use of the government-contributed

### funds, etc.:

(2) The Minister of Environment may allow (i) Green environment support centers; (ii) Persons
who place an eco-label, etc. or advertise the certification of eco-label, etc. to submit necessary data or have related public officials gain access to an office, place of business or other necessary places to inspect related documents, facilities, equipment, etc.
41. Does the policy tool recommend or require periodic impact assessments?
o No
o Recommended
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.
● 0-2 years
o 2-5 years
o 5-10 years
o 10 or more years
o Not specified
o Other
43. Does the policy tool recommend or require periodic reviews?
No     No
o Recommended
○ Required

subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
∘ No
46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.
Article 31 (Delegation and Entrustment of Authority)  This provision describes that part of the authority held by the Ministry of Environment under this Act may delegate to the president of the National Institute of Environmental Research, the head of an environmental local government office, or the Mayor/Do Governor, as prescribed by Presidential Decree etc.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
○ No
Yes
48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.
Article 26 (Support for Development of Standards for Certification of Eco-Label)  - Where a certification institution or an institution entrusted with certifications promotes the following projects, the Government may contribute necessary funds or provide other necessary support such as development of the standards for certification, Development of techniques for the analysis of eco-friendliness in the production stage, distribution stage, etc.

45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with

Article 27 (Cultivation of Environmental Technology Professionals)

- In order to foster human resources necessary to advance environmental technologies, the

Government snall formulate plans for fostering environmental technology professionals every five
years, and take measures for strengthening training of environmental technology professionals, and
securing and managing environmental technology professionals, and for other relevant matters.

Domain-Specific Questions: I	Disclosure Questions		
What is being disclosed?			

52. Are targeted entities recommended or rec	uired to disclose an	y of the following	climate-related
information? Select all that apply.			

	Recommended	Required	Neither recommended nor required		
1. Greenhouse gas (GHG) emissions		<b>V</b>			
2. GHG emissions offsets or removals			$\checkmark$		
3. GHG emissions reduction targets		<b>V</b>			
4. Other climate- related targets		<b>V</b>			
5. Physical climate risk					
6. Transition risk					
7. Transition plan					
54. Which GHG emission: □ Carbon dioxide (CO2)	s must be disclosed? S	Select all that apply.			
□ Carbon dioxide (CO2)					
□ Methane (CH4)					
□ Nitrous oxide (N₂O)					
□ Hydrofluorocarbons (HFCs)					
□ Perfluorocarbons (PFC	s)				
□ Sulphur hexafluoride (S	SF6)				
□ Nitrogen trifluoride (NF	<del>.</del> 3)				
□ Carbon dioxide equival	lent (CO2e)				
55. Are entities recomme	nded or required to dis	sclose gross emissions	?		
No					
○ Recommended					
Required					

56. Are entities recommended or required to disclose net emissions?
○ No
○ Recommended
○ Required
57. What Scope of emissions must be disclosed? Select all that apply.
Scope 1 emissions
Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
58. Are entities recommended or required to discloseGHG emissionsaccounting methodologies or standards?
GHG emissions
59. Does the policy tool recommend or require the GHG inventory be third-party verified?
∘ No
○ Recommended
○ Required
60. If necessary, provide additional clarification to the above responses aboutgreenhouse gas (GHG) emissions disclosure.

Disclosure of Greenhouse Gas (GHG) Emissions Reduction Targets	

67. W	/hich	of the	followii	ng targets	, or data	related	to targets,	does the	e policy	tool	request	entities
disclo	se? S	Select o	ny of tl	ne followir	ng which	apply:						

	Recommended	Required	Neither recommended nor required	
An absolute emissions				
reduction target				
An intensity-based				
emissions reduction				
target A net zero target				
Targets covering non-				
carbon GHG emissions				
A Scope 3 emissions				
target				
A target derived using				
a sectoral				
decarbonization				
approach				
Interim targets				
A target timeframe				
(e.g. by 2040)				
A baseline year from				
which progress is				
measured				
A level of ambition for				
emissions reductions				
(e.g. 80% reduction)				
CO D 11 11 1 1				
	· · · · · · · · · · · · · · · · · · ·	ties to disclose their progr	ess in achieving their	
emissions reductions targ	gets?			
∘ No				
o Recommended				
o Required				
Disclosure of other climate-related targets				
	. <b>.</b>			

84. Which of the following other climate-related targets does the policy tool recommend or require entities disclose? Select all that apply.

Other disclosures
□ Other targets (Please reference the section/subsection/paragraph of the policy tool relevant to other targets)
□ Targets or goals related to just transition (Please reference the section/subsection/paragraph of the policy tool relevant to just transition)
□ Targets or goals related to nature and/or biodiversity (Please reference the section/subsection/paragraph of the policy tool relevant to nature and/or biodiversity)
□ Targets or goals related to climate adaptation (Please reference the section/subsection/paragraph of the policy tool relevant to climate adaptation)
□ Targets for fossil fuel phase down/phase out (Please reference the section/subsection/paragraph of the policy tool relevant to fossil fuel phase down/phase out)
□ Targets for renewable energy procurement (Please reference the section/subsection/paragraph of the policy tool relevant to renewable energy procurement targets)

105. Are targeted entities recommended or required to disclose any other climate-related information? Select all that apply.

	Required	Recommended	Neither recommended nor required
1. Climate-related			
opportunities			
2. Remuneration			
based on achieving climate-related goals			
3. Taxonomies			
4. Capital allocation			
and/or expenditure			
plans (in the context of			
climate change)			
5. Due diligence			
6. Assumptions and			
Dependencies			
7. Data limitations of			
scenario analyses			
8. Financial			
implications of			
climate-related			
matters (e.g.,			
integration of climate- related disclosures			
into financial			
accounting standards)			
9. Stewardship (e.g.,			
whether stewardship			_
codes are in place,			
how entities vote in			
shareholder meetings,			
etc.)			
10. ESG			
methodologies and			
criteria (in the case of			
service providers) 11. Asset planning or			
ownership in the			
context of climate			
change			
12. Sectoral			
investment policies			
13. Climate-related			
lobbying and/or policy			
engagement			
14. Locked-in			
emissions or			
information on			

emissive assets with long lifespans				
15. Dirty asset divestiture				
16. Nature-related impacts				
17. Just transition indicators				
Standards, Frameworks	, and Guidelines			

125. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor referenced
1. IFRS S1		<b>✓</b>	
2. IFRS S2		✓	
3. Task Force on Climate-related Financial Disclosures (TCFD)			
4. GHG Protocol Corporate Accounting and Reporting Standard			
5. GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard			
6. CDP (formerly known as Climate Disclosure Project) reporting framework			
7. International Integrated Reporting Framework			
8. Global Reporting Initiative (GRI)		<b>✓</b>	
9. Sustainability Accounting Standards Board (SASB)			
10. European Sustainability Reporting Standards (ESRS)			
11. Taskforce on Nature-related Financial Disclosures (TNFD)			
12. Partnership for Carbon Accounting Financials (PCAF)			
13. Glasgow Financial Alliance for Net Zero (GFANZ)			
14. Other			

\_\_\_\_\_\_

-----

Additional Important Information	_
128. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.	
Additional Important Information	
	-

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

<u>None</u>

# Policy Tool Name: FRAMEWORK ACT ON CARBON NEUTRALITY AND GREEN GROWTH FOR COPING WITH CLIMATE CRISIS

3. Source material link(s): https://web.archive.org/web/20240813152509/https://www.2050cnc.go.kr/flexer/view/BOARD_ATT/ CH?storageNo=629
4. Which of the following governance domains does this policy tool relate to? Select all that apply.
□ Climate-related disclosure
☑ Transition planning
□ Public procurement
6. Select the category which best describes the author/issuer of the policy tool.
☐ Head of state and/or government
□ Independent regulatory or supervisory body
<b>✓</b> Legislature
☑ Ministry/Department/Agency
□ Other (Please describe)
7. Status of the policy tool
Approved, in force
Approved, not yet in force
o Other (Please describe)
9. Year of (planned) entry into force or year of publication
<u>2022</u>

10. Does the policy tool have an end date?
No     No
∘ Yes
12. Briefly describe the policy tool's goal and/or purpose:
For example: The policy tool requires publicly listed companies to comply with the recommendations of the Task Force for Climate Related Financial Disclosure or to explain the absence of such disclosures.
The purpose of this Act is to strengthen policy measures to reduce greenhouse gases and adapt to climate change for preventing serious impacts of climate crisis, to resolve economic, environmental, and social disparity that may arise in the course of transition to a carbon neutral society, and to foster, promote, and revitalize green technology and green industry for a harmonious development of the economy and environment, thereby improving the quality of life of present and future generations protecting the ecosystem and climate system, and contributing to the sustainable development of the international community.
13. Name the authority(ies) responsible for overseeing implementation and/or enforcement. If not applicable, leave blank.
● 1. Ministry of Environment
● 2. <u>2050 Carbon Neutrality and Green Growth Committee</u>
○ 3.
o 4.
○ 5.
15. To provide contextual information, rate the capacity of Ministry of Environment to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)

o 3- High Capacity (Please explain)
Prefer not to answer
o Not Applicable
16. To provide contextual information, rate the capacity of 2050 Carbon Neutrality and Green Growth Committee to undertake the policy tool's implementation and/or enforcement.
o O- No Capacity (Please explain)
o 1- Low Capacity (Please explain)
o 2- Medium Capacity (Please explain)
o 3- High Capacity (Please explain)
o Prefer not to answer
o Not Applicable

25. Which entities are targeted through this policy tool? Select all that apply.

Note: With regard to sectoral actors, in cases where mandatory and voluntary obligations are mixed (e.g., mandatory for one sector, voluntary for another), select "mandatory" as there will be further opportunity to clarify.

	Mandatory	Voluntary	Not targeted
1. Publicly-traded			$\checkmark$
entities			
2. Private companies			
3. Financial institutions			
4. Small and medium-			
sized enterprises			
5. State-owned	<b>✓</b>		
companies			
6. Not-for-profit			
organizations			
7. Government			
agencies and/or			
departments			
(supranational)			
8. Government	$\checkmark$		
agencies and/or			
departments (national)			
9. Government	✓		
agencies and/or			
departments (regional			
- e.g., state, province,			
region, metropolitan			
region)			
10. Government	✓		
agencies and/or			
departments (local -			
e.g., county, district,			
municipality, city)			
11. Government	<b>✓</b>		
agencies and/or			
departments			
(unspecified)			
12. Sectoral actors			
(e.g., healthcare,			
defense, utilities,			
education)			
13. Other			

27. Describe the threshold criteria to identify entities for whom or instances in which compliance is mandatory.

	Financial institutions	State-owned companies	Government agencies and/or departments (local - e.g. county, district, municipality, city)
Minimum number of employees (Enter min number of full-time employees - FTEs)			3.5)
Minimum revenue (Enter minimum revenue)			
Minimum assets (Enter minimum assets)			
Minimum contract value (Enter minimum contract value)			
Entity is headquartered in the jurisdiction			
Entities are subjected to disclosure or reporting requirements	Inlcude (i) Bank of Korea established under the Bank of Korea Act; (ii) Financial Supervisory Service established under "Act on the Establishment of Financial Services Commission"	Including a local government-invested public corporation, established under Article 49 of Local Public Enterprises Act	

28. Can entities for whom compliance with the policy tool is mandatory opt out of the obligation (	e.g.
comply or explain)?	

omply or explain)?	
No	
) Yes	

29. Describe the available opt-out provisions (e.g. "comply or explain"), referencing the relevant section/subsection/paragraph of the policy tool.

Article 27 (Greenhouse Gas Target Control of Controlled Emitter) of the Framework Act states that 'The Government shall designate an entity that emits greenhouse gases in excess of the standard amount prescribed by Presidential Decree (referred to as "controlled emitter"), and set and control a greenhouse gas reduction target to be attained within a commitment period prescribed by Presidential Decree, in consultation with the controlled emitter. Subsection (3) & (4) of Article 27 specifes that 'A controlled emitter shall comply with the targets, and submit a detailed statement of greenhouse gas emissions to the Government after it has been verified by an external institution. The Government shall prepare a registry based on the statements submitted under paragraph (3) and manage it systematically, and may disclose the quantity of greenhouse gas emissions from each controlled emitter, whether it has achieved its targets, etc. In such cases, a controlled emitter may request non-disclosure, if it has any special reason to believe that such disclosure may seriously infringe on its rights or trade secrets. 30. Does the policy tool exclusively apply to entities' domestic operations, or does it also apply to entities' operations beyond the jurisdiction? o Operations within jurisdiction only o Operations beyond the jurisdiction Not applicable 32. What are the sanctions for non-compliance? Select all that apply and describe in the text field. Monetary fine an administrative fine of not more than 10 million won ☐ Restriction on business activities ☐ Voiding or setting aside of contract ☐ Exclusion from government contracts ☐ Award of damages or compensation ☐ Penalty for senior managers ☐ Criminal penalties □ Not specified ☐ Not applicable (e.g. in cases of voluntary tools) ☐ Other

33. Relative to other compliance activities required of entities in this jurisdiction, is the cost of compliance:
o Below average
o Average
o Above average
o Not applicable
• Unknown or prefer not to answer
35. To provide contextual information, give a general assessment of the extent to which regulated entities have made compliance a priority.
o Below average
o Average
Above average
o Not applicable
o Unknown or prefer not to answer

36. Provide supplemental explanation of your priority assessment. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

Based on our latest review, it is assessed that significant efforts have been made in the inaugural year to lay the groundwork for transitioning to a carbon-neutral society across all economic and social sectors and to secure the driving forces behind this transition.

<u>Transition to Carbon-Free Energy and the promotion of eco-friendly mobility have led to an expected reduction of approximately 17.27 million tons of greenhouse gas emissions year-on-year across the four major sectors (energy transition, industry, buildings, and transportation).</u>

To enhance the feasibility of achieving carbon neutrality, the "Carbon Capture and Utilization Act" will be enacted (February 2024), and 100 key technologies for carbon neutrality have been identified (May 2023) with detailed roadmaps being prepared.

Additionally, institutional frameworks have been reinforced to ensure a smooth transition to a carbon-neutral society, including the enactment of the "Industrial Transition Employment Stability Act" (October 2023) and the establishment of a framework to respond to climate disaster risks.

Free Energy (CFE)" initiative at summit meetings with the United States, Germany, and Canada.
https://www.energy.or.kr/energy_issue/mail_vol239/pdf/issue_342_02_all.pdf
37. Have the climate-specific provisions in this instrument ever been enforced?
<ul><li>No (If relevant, explain)</li></ul>
o Yes
39. Are there monitoring systems in place to oversee the implementation and/or enforcement of the policy tool?
o No
Yes

Moreover, international climate leadership has been strengthened through initiatives such as the President's address at the UN General Assembly (September 2023) and the proposal of a "Carbon-

40. Describe the monitoring systems in place. Please reference the relevant section/subsection/paragraph of the policy tool where monitoring systems are set.

The Act states that the Committee and the government must inspect (i) the current status of implementation of the annual reduction targets, (ii) the implementation progress and major achievements of the national framework plan and (iii) the implementation progress of climate crisis adaptation measures and detailed action plans for climate crisis adaptation measures each year.

Article 9 (Inspection of Current Status of Implementation)

(1) The chairperson of the Committee (hereinafter referred to as the "chairperson") shall inspect the current status of implementation of the annual reduction targets each year to achieve the mid- to long-term reduction targets and sectoral reduction targets, and shall prepare and disclose a report on the inspection results.

(2) A report on the results under paragraph (1) shall include whether the amount of greenhouse gas emissions meets the annual reduction targets, matters having poor performance and requiring improvement found as a result of the inspection under paragraph (1), and other matters prescribed by Presidential Decree.

Article 13 (Inspection of Implementation Progress of National Framework Plan)

- (1) The chairperson of the Committee shall qualitatively and quantitatively inspect the implementation progress and major achievements of the national framework plan every year, and prepare and disclose a report on the inspection results.
- (2) A Mayor/Do Governor and the head of a Si/Gun/Gu shall qualitatively and quantitatively inspect the implementation progress and major achievements of City/Do plans and Si/Gun/Gu plans every year, prepare a report on the inspection results, and after deliberation by the Local Committee, submit the reports on Ci/Do plans to the Minister of Environment and the reports on Si/Gun/Gu plans to the Minister of Environment and the competent Mayor/Do Governor, respectively, and the Minister of Environment shall compile the reports submitted and report them to the Committee.
- (3) The chairperson may suggest the opinion on improvement to the head of the relevant central administrative agency, a Mayor/Do Governor, or the head of a Si/Gun/Gu on matters that are found to be in need of improvement in the inspection results under paragraphs (1) and (2). In such cases, the head of the relevant central administrative agency, a Mayor/Do Governor, or the head of a Si/Gun/Gu shall reflect such opinion in policies, etc. of the relevant agencies, unless there is a compelling reason not to do so.
- (4) Matters necessary for the inspection methods, procedures for disclosure, etc. under paragraphs (1) and (2) shall be prescribed by Presidential Decree.

Article 20 (Inspection of Implementation Progress of Climate Cricis Adaptation Maggures)	
Article 39 (Inspection of Implementation Progress of Climate Crisis Adaptation Measures)	
(1) The Government shall annually inspect the implementation progress of climate crisis adaptation	
measures and detailed action plans for climate crisis adaptation measures each year, and shall	
prepare a report on the inspection results and disclose it after deliberation by the Committee.	
41. Does the policy tool recommend or require periodic impact assessments?	
o No	
○ Recommended	
Required	
42. Select the option that best describes the frequency of periodic impact assessments recommended or required by the policy tool.	
● 0-2 years	
o 2-5 years	
o 5-10 years	

10 or more years

Not specified

o Other
43. Does the policy tool recommend or require periodic reviews?
○ No
∘ Recommended
<ul><li>Required</li></ul>
44. Select the option that best describes the frequency of the recommended or required periodic reviews.
● 0-2 years
o 2-5 years
○ 5-10 years
o 10 or more years
○ Not specified
○ Other
45. Does the policy tool include mechanisms for enhancing policy or regulatory coordination with subnational governments (e.g. vertical coordination mechanisms such as appointing coordinating agencies, forming working groups, etc.)?
○ No
● Yes

46. Describe the mechanisms for enhancing regulatory coordination with subnational governments. Reference the relevant section/subsection/paragraph of the policy tool where mechanisms for coordination with subnational governments are set.

Based on Article 15 (Establishment of 2050 Carbon Neutrality and Green Growth Committee) of the Act, the "2050 Carbon Neutrality and Green Growth Committee" has been establised under the jurisdiction of the President to deliberate and decide on the Government's key policies, plans, and

implementation thereof for the transition to a carbon neutral society and promotion of green growth. The committee is comprised on at least 50 but not exceeding 100 members, including two chairpersons.

<u>Under Article 19 (Establishment of Subcommittees) of the Act, the Committee may have</u> <u>subcommittees or special committees within the Committee as prescribed by Presidential Decree to perform its duties efficiently.</u>

Additionally, Article 22 (Composition and Operation of 2000 Local Carbon Neutrality and Green
Growth Committee) allows a local government to have a "2050 Local Carbon Neutrality and Green
Growth Committee" to deliberate and decide on its key policies, plans, and implementation thereof for
the transition to a carbon neutral society and promotion of green growth.
47. Are there any government initiatives to enhance the capacity of targeted entities to implement or comply with the policy tool (e.g. industry working groups, outreach campaigns, education and training, etc.)?
o No
Yes

48. Describe initiatives for enhancing the capacity of targeted entities to implement or comply with the policy tool. Reference the relevant section/subsection/paragraph of the policy tool where capacity-building initiatives are established. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.

The Ministry of Environment (Minister Han Wha-Jin) announced on May 9, 2024, that the '1st Basic Plan for Carbon Neutrality and Green Growth in Provincial/Municipal Areas,' representing regional carbon neutrality strategies, has been submitted by 17 metropolitan governments across the country. This inaugural basic plan reflects the unique conditions and residents' opinions from each region to design appropriate carbon neutrality policies, which were reviewed by local carbon neutrality and green growth committees. Most local governments have shown a strong commitment to carbon neutrality by setting ambitious targets to reduce greenhouse gas emissions by more than 40% by 2030 compared to 2018 levels. Specific initiatives include introducing a total greenhouse gas emission cap system for building energy use in Seoul, establishing and operating a climate environment energy data platform in Gyeonggi Province, creating a resource circulation complex town to build a waste resource circulation base in Busan, leading international climate crisis responses with a green climate complex in Incheon, planting 60 million trees to create a green belt for carbon absorption and heat island mitigation in Daegu, developing an offshore wind convergence industrial complex to foster new energy industries in South Jeolla Province, and achieving carbon neutrality by 2035 through a clean integrated energy complex in Jeju. These tailored projects are laid

<u>out in each r</u>	<u>region's ba</u>	<u>sic plan for</u>	<u>carbon ne</u>	<u>utrality.</u>						
https://www	v.2050cnc.	go.kr/storag	ge/board/b	ase/2024/	05/10/BO	ARD_AT	TACH_1	715316	703373	3.pdf

Domain-Specific Questions: Transition Planning Questions
Disclosure of Plans and Targets
132. Are targeted entities recommended or required to publicly disclose climate-related targets or transition plans?
∘ No
∘ Recommended
Targets
135. Does the policy tool recommend or require targeted entities to have or develop climate-related targets?
o No
○ Recommended
Required
136. Does the policy tool recommend or require entities to monitor progress in achieving their targets?
∘ No
∘ Recommended

137. Describe and reference the section/subsection/paragraph of the policy tool relevant to monitoring progress in achieving targets.

Monitoring the progress in achieving targets outlined under Articles 26 and 27 of the Framework Act.

Under Article 26 (Greenhouse Gas Target Control in Public Sector), public institutions, including central administrative agencies, local governments, City/Do offices of education, and other public bodies, are mandated to set their own greenhouse gas reduction targets to align with national midto long-term goals. These institutions are required to comply with the established targets, submit annual performance records, and disclose their results. The government maintains a systematic registry of these performance records and provides guidance and supervision. If any institution falls short of its targets, the government may issue orders for necessary improvements and provide financial, technical, and informational support to facilitate these improvements.

Article 27 (Greenhouse Gas Target Control of Controlled Emitter) focuses on entities designated as "controlled emitters," which are identified based on greenhouse gas emissions exceeding predefined thresholds. These controlled emitters must set reduction targets in consultation with the government and submit detailed, verified statements of greenhouse gas emissions. The government maintains a registry of these statements and may disclose the emissions data, subject to considerations of trade secrets and other sensitive information. In cases where controlled emitters do not meet their targets, improvement orders can be issued, and the government may provide various forms of support to help entities achieve compliance. 138. Does the policy tool recommend or require targeted entities to publicly report on progress in achieving their targets? o No o Recommended Required 139. What is the recommended or required frequency of progress reports related to the achievement of targets? Yearly

- Every two years
- Every three years
- Every four years

o Every five years
o Every ten years or more
○ Other
No prescribed frequency

140. Which of the following targets, or data related to targets, does the policy tool recommend or require entities have or develop? Select all that apply.

	Recommended	Required	No	
An absolute emissions				
reduction target				
An intensity-based			$\checkmark$	
emissions reduction				
target				
A net zero target		<b>✓</b>		
Interim targets (e.g.				
2030, 2050)				
Targets covering non-				
carbon GHG emissions				
A Scope 3 emissions			$\checkmark$	
target		_		
A target derived using				
a sectoral decarbonization				
approach A level of ambition for	<b>✓</b>			
emissions reductions				
(e.g. 80% reduction)				
A baseline year from	<b>✓</b>			
which progress is				
measured				
A target timeframe	<b>✓</b>			
(e.g. by 2040)				
Targets for renewable	✓			
energy procurement				
Targets for fossil fuel	$\checkmark$			
phase down/phase up				
Separate targets for				
GHG offsets and/or				
removals		_	_	
Targets or goals	$\checkmark$			
related to climate				
adaptation	✓			
Targets or goals related to nature and				
biodiversity				
Other targets related	<b>✓</b>			
to sustainability				
	L	1		

141. What is the recommended or required scope of emissions for absolute emissions reduction
targets? Select all that apply.
☐ Scope 1 emissions

☐ Scope 2 emissions
☐ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
143. Does the policy tool recommend or require a scope of emissions which should be covered by the net zero target? Select all that apply.
☐ Scope 1 emissions
☐ Scope 2 emissions
□ Scope 3 emissions, relevant or material
□ Scope 3 emissions, a specified proportion of coverage (Please describe)
□ Scope 3 emissions, all
□ Not specified
144. What is the recommended or required year for the net zero target (e.g. net zero by)?
o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
Other <u>By 2050</u>
○ Not specified

o 2025-2030
o 2031-2040
o 2041-2050
● Other 2030
o Not specified
146. What is the recommended or required level of ambition for interim targets?
• Reduction between 1-25%
Reduction between 26-50%
o Reduction between 51-75%
o Reduction of over 76%
● Other Reduction 40% (compare to 2018)
<ul> <li>Not specified</li> </ul>
148. For which of the following sectors are entities recommended or required to develop targets derived using a sectoral decarbonization approach? Select all that apply.
Power generation
✓ Power generation ✓ Industry
✓ Industry
✓ Industry  ✓ Transport Services
✓ Industry  ✓ Transport Services  □ Services/Commercial buildings
✓ Industry  ✓ Transport Services  □ Services/Commercial buildings  □ Other
✓ Industry  ✓ Transport Services  □ Services/Commercial buildings  □ Other
✓ Industry  ✓ Transport Services  □ Services/Commercial buildings  □ Other
<ul> <li>✓ Industry</li> <li>✓ Transport Services</li> <li>□ Services/Commercial buildings</li> <li>□ Other</li> <li>□ None specified</li> <li>149. Does the policy tool recommend or require targets derived using a sectoral decarbonization</li> </ul>

Required
150. What is the recommended or required level of ambition for GHG emissions reductions targets?
○ Reduction between 1-25%
○ Reduction between 26-50%
○ Reduction between 51-75%
○ Reduction between 75-85%
○ Reduction between 85-100%
Reduction of more than 100%
● Other <u>40%</u>
151. What is the recommended or required baseline year from which progress is to be measured?
o 1990-2000
o 2001-2005
o 2006-2010
o 2011-2015
© 2016-2020
● Other <u>2018</u>
152. Are entities recommended or required to disclose the methodologies by which they select baseline years?
○ No

153. What is the recommended or required timeframe for targets (e.g. by 2050, 2060)?

42

o Between 2030 and 2035
o Between 2036 and 2040
o Between 2041 and 2045
o Between 2046 and 2050
o Between 2051 and 2060
o Between 2061 and 2070
● Other_2030
<ul> <li>Not specified</li> </ul>
154. Describe and reference the section/subsection/paragraph of the policy tool relevant to targets for renewable energy procurement.
Article 8 (National Mid- and Long-Term Greenhouse Gas Reduction Targets)
155. Describe and reference the section/subsection/paragraph of the policy tool relevant to targets for fossil fuel phase down/phase out.
Article 8 (National Mid- and Long-Term Greenhouse Gas Reduction Targets)
156. Describe and reference the section/subsection/paragraph of the policy tool relevant to setting separate targets for GHG offsets and/or removals.
Article 8 (National Mid- and Long-Term Greenhouse Gas Reduction Targets)
157. Does the policy tool recommend or require any certification standards for the use of offsetting or removals?
No
o Recommended (Please reference the relevant section/subsection/paragraph of the policy tool related to certification standards for the use of offsets and/or removals)

<ul> <li>Required (Please reference the relevant section/subsection/paragraph of the policy tool related to certification standards for the use of offsets and/or removals)</li> </ul>
158. Does the policy target make any other recommendations or requirements regarding the appropriate use of offsets?
No     No
<ul> <li>Yes (Please reference the relevant section/subsection/paragraph of the policy tool related to certification standards for the use of offsets and/or removals)</li> </ul>
159. Describe and reference the section/subsection/paragraph of the policy tool related to climate adaptation targets.
Chapter 6 Climate Crisis Adaptation Policy Measures
160. Describe and reference the section/subsection/paragraph of the policy tool related to nature and biodiversity targets or goals.
Chapter 8. Policy Measures for Green Growth
161. Describe and reference the section/subsection/paragraph of the policy tool related to just transition targets or goals.
Chapter 7. Just Transition
Transition Plans
164. Does the policy tool recommend or require targeted entities to have or develop a transition plan?
Recommended
O DECOMMENDED

<ul> <li>Required</li> </ul>						
Monitoring, C	Oversight, ar	nd Implement	ation			

176. Does the policy tool recommend or require entities undertake any of the following with regard to monitoring, oversight, and implementation? Select all that apply.

	Recommended	Required	No
Monitor progress in implementing their			
transition plan			
Develop financial			
plans for the implementation of			
their transition plan			
Integrate climate-		П	
related matters into			
their financial			
accounting			
Incorporate climate			
change considerations			
into their investment			
decision making			
and/or asset planning			
Incorporate climate			
change considerations			
into their capital			
allocation and/or			
expenditure plans			
Any other mechanisms			
for enhancing the achievement of			
targets and/or the			
implementation of			
transition plans			
Engagement, Lobbying,	and Governance		
	and coreniance		

184. Does the policy tool recommend or require targeted entities align any of the following engagement and/or governance practices with their targets and/or transition plans?

	Recommended	Required	No	
Value chain				
engagement				
Investor engagement				
Consumer engagement				
Policy engagement and lobbying practices				
Corporate governance structure for transition and verification				
Climate-related financial incentives for employees and board members				
185. Does the policy tool recommend or require targeted entities to disclose how they have used due diligence and/or stewardship to achieve their targets and/or implement their transition plans?				
● No				
o Recommended				
o Required				

188. Describe the obligation to the align targets and/or transition plans with consumer engagement, referencing the relevant section/subsection/paragraph of the policy tool.

Article 66 (Spread of Production and Consumption Cultures for Transition to Carbon Neutral Society and Green Growth)

- (1) The Government shall formulate and implement policy measures for the saving and efficient use of energy and resources and the mitigation of greenhouse gas emissions throughout the entire process of production, consumption, transportation, and disposal (hereinafter referred to as "production, etc.") of goods.
- (2) The Government shall ensure that the energy consumption, greenhouse gas emissions, etc. are reasonably linked to and reflected in the price of goods and services and the accurate information thereon is disclosed and delivered to consumers, in order to expand and enhance the consumers' right to choose.
- (4) The Government shall formulate and implement policy measures that require producers, sellers, etc. of goods to indicate and disclose the information or grade on the amount of greenhouse gas emissions and pollutants generated in the process, etc. of producing the goods to help consumers

easily recognize such information or grade, in order to promote and spread the use and consumption
of products that minimize the input of energy and resources and the generation of greenhouse gases
and pollutants (hereinafter referred to as "green product").
Standards, Frameworks, and Guidelines

194. Does the policy tool require the use of or make reference to any of the following standards, frameworks, or guidelines? Select all that apply.

	Required	Referenced	Neither required nor
			referenced
IFRS S1			
IFRS S2			
Task Force on			
Climate-related			
Financial Disclosures			
(TCFD)			
CDP (formerly known			
as Climate Disclosure			
Project) Technical			
Note: Reporting on			
Climate Transition			
Plans			
International			
Integrated Reporting			
Framework			
Global Reporting			
Initiative (GRI)			
Sustainability			
Accounting Standards			
Board (SASB)			
Science Based Targets			
initiative (SBTi)	_	_	_
Science Based Targets			
initiative (SBTi) Net			
Zero Standard			
European			
Sustainability			
Reporting Standards			
(ESRS)	_		_
Other			

195. List any other standards, frameworks or guidelines required by or referred to within the policy tool. Please provide a web-archived link to each standard/framework/guideline listed.

## The Paris Agreement

Article 8 (National Mid- and Long-Term Greenhouse Gas Reduction Targets)

(4) The Government shall re-examine mid- to long-term reduction targets, sectoral reduction targets, and annual reduction targets (hereinafter referred to as "mid- to long-term reduction target, etc.") every five years in consideration of domestic and international conditions, such as the Paris Agreement (hereinafter referred to as the "Agreement"), and shall modify or reset such targets in accordance with the principle of progression under Article 4 of the Agreement, if necessary: Provided,

I hat if it is necessary due to changes, etc. in social and technical conditions, the targets may be
modified or reset before five years elapse.
Additional Important Information

197. Note any additional important information about the contribution of the policy tool to net zero alignment not captured in the above questions. If referencing new sources (i.e. not referenced in Question 3), provide a web-archived link to the source material.