

PRESS RELEASE

SK government sued over unclear coal phase-out plan for national pension

The world's third-largest pension fund remains heavily invested in coal. Campaigners are now taking the South Korean government to court.

July 11, 2023 (SEOUL) – Three organizations are suing the South Korean Ministry of Health and Welfare, which oversees the country's USD 700 billion pension fund, for refusing to disclose key documents related to the fund's coal phase-out policy, which is still under discussion.

The lawsuit, which seeks to appeal the ministry's decision, comes after the agency rejected the organizations' information request on the basis of the National Pension Act. The Act stipulates that meeting minutes must be made public after a year unless the information is expected to affect market stability or impair the fairness of fund management.

Green Environment Youth Korea (GEYK), 60+ Climate Action and Solutions for Our Climate (SFOC) say that the government's decision infringes upon the public's right to know, and the need for transparent governance.

Campaigners say the need for transparency is urgent as the NPS has failed to implement any policies since it pledged to exit from coal two years ago. The fund remains the country's largest coal financier.

Currently, the NPS holds KRW 26.46 trillion (USD 20.49 billion) worth of bonds and shares in South Korean coal companies and KRW 10.69 trillion (USD 8.27 billion) in overseas coal companies. Due to its financing of the country's coal plants, [research](#) estimates that the NPS has contributed to health damages of around KRW 1.4 trillion between 2021-2022.

Within the next month, the Ministry of Health and Welfare will have to respond to the lawsuit. This will be followed by a period of pleadings, after which the Seoul Administrative Court is expected to make a judgment.

Vice President of GEYK, Sunryul Kim, said:

"We demand clarity from the NPS, which is responsible for our retirement, as to why it is continuing to invest in coal amid the climate crisis. We demand clarity for the sake of our future, which looks very opaque. A commitment without action is a dead commitment."

Campaigner at 60+ Climate Action, Yeochang Yoon, said:

"Most South Koreans are obliged to enroll and pay into the national pension fund. Therefore, we have the right to monitor the fund to ensure that it does not invest in coal, which will endanger our retirement and violate the basic rights of future generations."

Lawyer at SFOC, Hyunji Kim, said:

“By not providing any detailed information since its coal-exit pledge, the Ministry of Health and Welfare is denying the public its right to know or have a say in where their hard-earned money is being invested. Youth and senior activists are gathering to say no more state-led coal financing and climate destruction.”

ENDS.

Solutions for Our Climate (SFOC) is a climate advocacy organization that is dedicated to aligning emissions trajectories with the goals of the Paris Agreement. SFOC is led by legal, economic, financial, and environmental experts with experience in energy and climate policy and works closely with policymakers.

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