PRESS RELEASE

Time to go green for South Korean ports

Port emissions disclosure and electrification key to decarbonizing shipping industry

September 18, 2023 (SEOUL) – A new report by Solutions for Our Climate (SFOC) outlines key steps to decarbonizing ports in South Korea, central to decarbonizing the shipping industry. In 2022, two percent of global greenhouse gas emissions come from international shipping, involving a <u>five percent increase</u> from 2021 levels.

The SFOC report comes off the heels of a revised greenhouse gas (GHG) emissions reduction strategy by the International Maritime Organization. The strategy aims to achieve net-zero "by or around" 2050, including intermediate checkpoints of 30% reduction by 2030 and 80% by 2040, compared to 2008 levels.

Although South Korea currently has a plan for port decarbonization, **SFOC's shipping program lead John Yum** says there it must be strengthened to meet emissions targets.

Yum urges, "The South Korean government must recognize that future carbon levies will lead to a decrease in competitiveness for ports without adequate low emissions infrastructure. Port decarbonization will have immense consequences for South Korea's shipping-dependent economy, which accounts for 99.7% of the country's trade."

Shipping is gaining traction as part of South Korea's national decarbonization agenda. In a <u>statement at the G20</u> last week, President Yoon emphasized the importance of decarbonizing the shipping industry, including greening port infrastructure, to strengthen the competitiveness of the country's exports. Earlier this year, South Korea announced its intent to reduce the industry's emissions by 60% (compared to 2008 levels) by 2030, 80% by 2040, and to achieve net-zero by 2050.

South Korea's busy ports will be central to its decarbonization strategy. In 2022, about 44,000 foreign ships traveling international routes docked at major ports in South Korea. Ports are also closely linked to the country's major industries; as a peninsula, 20 of South Korea's 32 industrial complexes are situated near ports.

As the shipping industry transitions to zero-emissions ships, such as green hydrogen or green ammonia-capable vessels, industrial ports will require bunkering facilities for zero-emissions fuels to remain competitive.

Due to the absence of detailed regulation, however, the GHG emissions reported by South Korean ports vary. South Korea does not categorize its emissions from ports according to the Scope 3 standard outlined in the <u>GHG protocol</u>.

Although Korea major ports have installed many alternative marine power (AMP, onshore power) to connect the at-berth ships, the usage rate is low.

Furthermore, South Korea does not yet have strong policies for renewable energy

usage at ports. Ports do not disclose how much of its entire energy usage is attributable to its renewable energy.

SFOC's report recommends that the government mandate the use of AMP and incentivize ports to electrify through the use of 100% renewable energy.

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Solutions for Our Climate (SFOC) is an independent nonprofit organization that works to accelerate global greenhouse gas emissions reduction and energy transition. SFOC leverages research, litigation, community organizing, and strategic communications to deliver practical climate solutions and build movements for change.

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