Participatory Governance for the Green New Deal

Jinhee Park
Dharma College, Dongguk University
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Korean Green New Deal Policy

- Korean New Deal Policy Announced July 2020
  - Promote “Korean version of the New Deal” as a national development strategy for overcoming a crisis and leading the global economy after COVID-19
  - Expedite digital innovation and dynamics across the economy through the Digital New Deal and Green New Deal, and accelerate an eco-friendly and low-carbon transition through the economy
  - Aim to establish the foundation for a people-centered inclusive country by strengthening the safety net
  - As the core of the New Deal policy, actualize the Green New Deal policy aiming at a “green transition of society towards carbon neutrality”

Background to the Green New Deal Policy

❖ COVID-19 and the economic crisis
  ▪ Respond to the economic downturn and job shock caused by COVID-19
  ▪ Ensure a fast recovery from the COVID-19 shock and secure a new growth path: transition to digital and green economy

OECD: "It will be difficult for economic activities to return to normal in this current situation"

Roubini predicts the advent of a great recession more severe than the Great Depression
Green New Deal Policy Background

- Responding to climate crisis
  - The impact and urgency of the climate change crisis have been re-evaluated in the wake of COVID-19: Climate change threatens public safety and negatively impacts the economy.
  - Solidarity in responding to global climate crisis: Call for a transition to a low-carbon, eco-friendly economy.
    - Major countries declare zero carbon emission plan for 2050 (Korea, declared in October 2020)
    - Korea is world’s 7th largest CO2 emitter: Energy consumption per value added (toe/million $), Korea 104, Germany 72.5, Japan 84, UK 57.4

<table>
<thead>
<tr>
<th>Country</th>
<th>Target Year</th>
<th>Progress</th>
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<tbody>
<tr>
<td>United Kingdom</td>
<td>2050</td>
<td>Enactment of 2050 carbon-neutral target (2019.6)</td>
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<tr>
<td>Germany</td>
<td>2050</td>
<td>Climate Change Law (2050 carbon-neutral) under discussion</td>
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<td>Denmark</td>
<td>2050</td>
<td>Climate Plan aims to achieve climate-neutrality by 2050(2018)</td>
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<tr>
<td>Finland</td>
<td>2035</td>
<td>Announcement of plan to become carbon-neutral by 2035 (2019.6)</td>
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<tr>
<td>Portugal</td>
<td>2050</td>
<td>Target year of becoming carbon-neutral by 2045 as set out in the 2015 Climate Change Act has been moved up</td>
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<td>Sweden</td>
<td>2045</td>
<td>Enactment of 2045 carbon-neutral target (2017)</td>
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<td>Norway</td>
<td>2030</td>
<td>Enactment of 2030 carbon-neutral target (2016)</td>
</tr>
<tr>
<td>Ireland</td>
<td>2050</td>
<td>2050 carbon-neutral target set in National Climate Plan (2019.6)</td>
</tr>
<tr>
<td>Iceland</td>
<td>2040</td>
<td>Target to achieve carbon-neutrality by 2040 presented in Climate Strategy (2018.9)</td>
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<tr>
<td>China</td>
<td>2060</td>
<td>Declaration of carbon emission peak by 2030 and carbon neutrality by 2060</td>
</tr>
<tr>
<td>Korea</td>
<td>2050</td>
<td>Declaration of 2050 carbon-neutral target during President’s National Assembly Address (2020.10)</td>
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< Countries That Have Declared Carbon Neutrality >
Green New Deal Policy Background

Paris Agreement 2015: “Need to work together to keep the global average temperature rise below 2°C in comparison to pre-industrialization, and limit the further temperature rise to 1.5°C or less”

Limiting the temperature rise to below 1.5 °C by 2100 requires rapid, widespread, and unprecedented change in all sectors of society. To limit the global average temperature rise to 1.5 °C, CO2 emissions must be reduced by at least 45% by 2030 compared to 2010, and net-zero emissions must be achieved by 2050.

<Source: Korea Meteorological Administration, “The 48th IPCC General Assembly Comes to a Successful Close” (Press Release), 2018.10.7.>

<Global Warming 1.5 °C Special Report>
Green New Deal Policy Background

- Create jobs through transformative investments
  - Achieve job creation by investing in renewable energy facilities, such as solar and wind power plants
  - Dominate the global market early by strengthening competitiveness in eco-friendly industries, such as green mobility
  - Create new growth paths through financial investments by the year 2025

Number of renewable energy jobs in the world: increased from 11 million in 2018 to 11.5 million in 2019

Wind power generation employs 1.2 million people; largest share is in the solar power sector with 3.8 million (33%)

<Source: IRENA, Renewable Energy and Jobs, 2020>
Green New Deal Policy Direction

❖ Consolidate safety nets in response to the climate and environmental crises through a green transformation of the living environment

❖ Protect disadvantaged people and areas during the process of expanding and converting to low-carbon decentralized energy

❖ Establish a low-carbon industrial ecosystem by laying the foundation for innovative green industries

Bring about a carbon-neutral society through a green transformation of infrastructure and energy, and innovations in green industry

Green New Deal Policy Projects

❖ 8 Ongoing Projects in 3 Sectors
  ▪ Green transformation of urban, space, living infrastructures
  ▪ Expand low-carbon, decentralized energy
  ▪ Build green industry innovation ecosystem

*Source: The Relevant Authorities, "Korean New Deal Comprehensive Plan", 2020*
## Green New Deal Policy Projects

- **Representative Green New Deal Projects**

<table>
<thead>
<tr>
<th>Green Remodeling</th>
<th>Green Energy</th>
<th>Eco-Friendly Mobility</th>
<th>Green Smart School</th>
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</table>
| • Zero energy for public buildings  
• Standardization of green remodeling business  
• Issue energy efficiency class certificates | • Establish foundation for spreading new renewable energy  
• R&D demonstration business  
• Introduce new renewable energy projects to share profits with residents | • Accelerate the supply of electric and hydrogen vehicles  
• Establish hydrogen distribution base, including hydrogen production base and hydrogen charging station monitoring system  
• Eco-friendly conversion of old vehicles | • Convert public schools to Green Smart Schools  
• Expand Green Digital Convergence of older schools  
• Energy independence rate of 20%, passive design applied Green School |
Green New Deal and Participatory Governance

❖ Transitional Characteristics of the Green New Deal Policy

▪ With the transition to a carbon-neutral society as the target, the goal is a green transition of infrastructure and energy

▪ Through striving for conservation of natural ecosystems, the policy aims for a sustainable economy based on a decarbonized society

▪ Goal is a transition to a low-carbon society to respond to climate change

❖ Transition Policy and Social Conflict

▪ Transition to a low-carbon society leads to the cessation of existing industries fixated on carbon; Unemployment occurs due to policy implementation such as the closure of old coal power plants, etc.

▪ The “lock-in” effect of traditional social technology systems creates obstacles to spreading new technologies; Conflict with legislation; Resistance from existing carbon-locked industrial ecosystem

▪ Market and institutional environment unfavorable to new actors such as prosumers continues
Green New Deal and Participatory Governance

- Green New Deal Policy Implementation and Participatory Governance

In the process of implementing green energy proliferation projects, there are cases in which opposition from local residents is encountered during the construction of solar power and wind power plants. The spread of green energy is being deterred due to the damage to the local environment caused by power plant construction such as wind noise.

- Social conflict occurs in the process of proliferating the green energy and decentralized renewable energy projects required to transition to a low-carbon society.
- There is difficulty in implementing policies due to a lack of the administrative authority required for transitioning to green energy.
- Even though public participation is essential in the transition to a low-carbon society, the related systems have not been prepared.
Green New Deal and Participatory Governance

- The need to establish participatory governance
  - Various stakeholders participate in the transition to green energy, focused on decentralized power sources such as renewable energy.
  - Policy agreement between private, public and civil social partners is important.
  - In a system with a high proportion of renewable energy, the role of citizen participants in charge of demand response is important.
  - Participation of private and civil society is the key to energy efficiency projects, such as green remodeling.
  - It is necessary to establish governance through the voluntary participation of various actors other than the government, and also participatory governance through citizen participation.

As climate change response becomes the center of energy policies, there is a growing need for energy governance in which various actors such as the central government, the local government, corporations, citizens, and civic groups pursue policy participation and economic cooperation.
Green New Deal and Participatory Governance

❖ Korean Examples of Participatory Governance

One Less Nuclear Power Plant in Seoul

- Energy Policy Committee
- General Division
- Energy Production
- Energy Demand Management
- Energy Education, Communication Management
- Energy Jobs
- Energy Community Welfare

“Responsible for planning and implementing energy transition policies through an Action Planning Committee composed of citizen representatives”

Jeonbuk Citizen Participation for Energy-Plan Development

“Citizens from 14 regions participated to develop Jeonbuk’s energy plan”

<Source: https://www.mjjnews.net/news/article.html?no=1019>
Green New Deal and Participatory Governance

❖ Examples of Participatory Governance

National Climate and Environment Congress

“Political parties, industries, and citizens prepare policies through careful deliberation to solve the problem of fine dust.”


Public Deliberation on Shin-Gori Reactor Units 5 and 6

“Decision to resume construction of the Shin-Gori nuclear power plant after deliberation by the 500-member citizen participation group (2017. 10)”

<Source: http://www.hani.co.kr/arti/PRINT/816001.html>
Green New Deal and Participatory Governance

❖ Green New Deal Projects and Participatory Governance

Resident Participation Profit- Sharing System

Namjeon 1-ri, Injegun Solar Power Plant

“A system that allows local residents to share profits by participating in power generation projects. Purchase of shares or bonds in power generation facilities / REC weight of power generation projects increased with resident participation”

Public-Private Cooperative Committee for Wind Power

“The central government, local governments, related organizations, citizens, environmental organizations, and resident representatives participated in signing the agreement to carry out the offshore wind power project in the southwestern region of Jeonbuk”

<Source: Korea Policy Briefing>

<Source: https://news.mt.co.kr/mtview.php?no=2020092314008226061>
Green New Deal and Participatory Governance

- Green New Deal Projects and Participatory Governance

**Renewable Energy Policy Council**

“Renewable energy policy performance evaluation at the Renewable Energy Policy Council, participated in by government ministries such as the Ministry of Commerce, Industry and Energy, private companies, and public institutions”


**Gwangju Energy Transition Governance**

“A council composed of about 10 people including Gwangju City, Gwangju City Council, civic groups, energy experts, etc. for the purpose of carrying out a Gwangju-type AI-Green New Deal”

(Source: https://www.kharn.kr/news)
Green New Deal and Participatory Governance

❖ Participatory Governance and Decentralization

- When energy policy-making and execution proceeds in a centralized manner, the authority and responsibility of local governments are limited. As green energy transition is based on decentralized energy, the role of local governments is becoming more important.
- There is a need to systematically strengthen the powers and responsibilities of local governments in the area of energy.

- Amend legislation to strengthen authority of local governments
- Improve coherence between central energy master plan and regional energy plan
- Establish central government-local government governance and strengthen the capacity of local governments
- Vitalize decentralized energy system that takes regional differences into consideration
Local Governments Lead the Green New Deal: Accelerating Decentralization

- Respond simultaneously to economic and climate crises
- Create a wholesome, sustainable city where people, nature, and the future coexist
- Focus on developing 5 sectors: buildings, transportation, urban forest, new renewable energy, resource circulation
  - Reduce emissions from buildings, transportation, and waste
  - Expand urban forest
  - Change to electric cars or hydrogen cars
  - Make zero energy construction mandatory

<Source: https://www.seoul.go.kr/>
Green New Deal and Participatory Governance

- Realize a happier Chungnam that leads and achieves Korean New Deal

- Carry out 85 projects in 3 major sectors
  - Digital New Deal, Green New Deal, and strengthening safety net
    • Proliferate electric vehicles such as passenger cars, buses, and trucks
    • Establish base for phasing out coal power plants
    • Create a hydrogen city in Chungnam
    • Create Urban Wind Path Forest

<Source: http://www.m-i.kr/news/articleView.html>
Summary

- To set Green New Deal policy as a response to climate crisis and as job creation policy
- A participatory governance is required because of Green New Deal policy with transitional characteristics
- To build governance for carrying out policy deliberations involving various stakeholders
- To apply participatory governance to Green New Deal policies, such as resident profit-sharing system
- Collaborative governance between central and local governments is important in implementing the Green New Deal
Thank You