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## **International investor networks encourage South Korean Government to seize net zero emissions growth opportunities with revised Paris pledge**

International investor networks, whose members and signatories have assets under management worth hundreds of trillions of won, have written to President Moon Jae-in of South Korea encouraging his government to formalise enhanced climate commitments in a revised Nationally Determined Contribution (NDC) under the Paris Agreement and capitalise on investment and jobs in net zero emissions technologies and infrastructure.

In the letter, the six investor networks recognised commitments made by the Democratic Party of Korea at recent legislative elections for significant new national climate change policies and urged the Moon Government to accelerate their implementation.

With the swift implementation of carbon pricing, coal financing phaseout and enhanced renewable energy policies, together with a clear commitment and pathway to achieve net zero emissions by 2050, the investor networks said South Korea could attract new investment in clean energy technologies and infrastructure, generating new jobs and growth that could assist with an economic recovery from the COVID-19 pandemic.

The letter encourages the South Korean Government to lift the ambition of its current emissions reduction goal of a 20 per cent reduction on 2010 levels by 2030, and to formalise a commitment to net zero emissions by 2050, in a revised NDC this year, in advance of the next major round of international climate change negotiations in Glasgow next year.

The investor organisations also noted that current emissions reduction pledges from all countries are not yet sufficient to secure the Paris Agreement goal of limiting global warming to 1.5 degrees and will require greater ambition from all nations.

**Harry Ashman, Engagement Analyst, Church Commissioners for England:** “We urge South Korea to set a net zero emissions target that will position them as a regional leader in the low carbon transition and set the tone for a green economic recovery from the COVID-19 pandemic. This is an opportunity to create a policy framework that catalyses investments in a low carbon economy, creating jobs and restoring growth as well as spurring greater regional climate mitigation efforts.”



**Yoo-Kyung (YK) Park, Head Of APAC Responsible Investment & Governance at APG Asset Management**, said: "Korea has a significant opportunity to capitalise on the rapidly growing desire of international investors to deploy their private capital into clean energy and clean technology projects. By accelerating policies for a Green Deal and committing to net zero emissions by 2050, Korea will be able to capture a good share of the estimated [\\$US246 billion a year](#) that will be needed to be invested in renewable energy across East Asia for the transition. As a matter of priority, Korean financiers - both public and private - should cancel new finance for coal-fired power and commit to a rapid phase out to ensure the most efficient deployment of private capital into the clean energy sector."

**Rebecca Mikula-Wright, Director of the Asia Investor Group on Climate Change**, said: "South Korea can extend its emerging reputation in Asia as a leader on green growth by adopting Paris-aligned targets and accelerating the implementation of promised enhanced climate policies. By creating this strong policy signal, South Korea can drive new private capital into net zero emissions energy and infrastructure assets that will create fresh jobs and growth for the nation and in turn assist with the economic recovery from COVID-19 pandemic."

**Fiona Reynolds, CEO of Principles of Responsible Investment** said: "Urgent government and investor action to address the climate crisis is an essential part of a sustainable, long-term recovery from the COVID-19 pandemic around the world. South Korea can play an integral role in that recovery by demonstrating leadership by aligning its economic recovery plan with the goals of the Paris Agreement. In doing so, South Korea can pave the way for other countries in the region to similarly step-up their ambitions to mitigate climate change, and demonstrate to global investors its plans to realise a sustainable path to growth and prosperity."

**Karl Chun Seung Yang, Executive Director of Korean Sustainability Investment Forum** said: "Recognising climate change as a major risk in asset management, global institutional investors are demanding that the South Korean government send a clear signal in policy transition towards a low carbon economy. This indicates that climate change has become an economic and financial issue and not merely an environmental issue, just as COVID-19 is not merely a public health concern. We look forward to new policies and legislation necessary to move towards a low carbon economy within the term of Moon's presidency with the launch of the 21st National Assembly."

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#### **Note to Editors**

Signatories on the letter include: Asia Investor Group on Climate Change, CDP, Ceres, Institutional Investors Group on Climate Change, Investor Group on Climate Change and Principles for Responsible Investment.

The full letter to President Moon can be found in English [here](#) and Korean [here](#).



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