

Thank you, Mr. Chair.

I'm pleased to have this opportunity to share Korea's policies and best practices on clean energy with the member countries.

The global energy market is going through unprecedented changes. As discussed in the morning session, oil prices are showing the biggest volatility since the 1980s due to the oversupply in the global oil market triggered by the shale revolution. Negotiations on GHG emissions reduction at COP21 at the end of this year will function as a new variable in the energy market. The US and China announced their GHG reduction goals this year. In June, Korea also set a target of reducing its GHG emissions by 37% compared to the BAU level by 2030. Once a new climate change regime launches the winds of change will soon start to blow in the energy market.

Such changes in the global energy market present challenges for the Korean energy industry. In this era of low oil prices and climate change action, we need to respond to these changes with a clear vision for the future. The Korean government will expand the supply of clean energy sources and at the same time, introduce influential technologies into the energy sector. By doing so, we can transform the

energy market to be more efficient and reduce GHG emissions, while creating new business opportunities.

Last year, the Korean government selected 8 new energy business models that can create a market in near term with public-private partnership. They include energy independent islands, EV battery leasing and ESS expansion. To give a better picture of it, let me briefly explain two of the most representative business models.

First is an energy independent island. Efforts are being made to make Ulleung island, an island located 130 kilometers away from the mainland into an energy independent island by 2020. Under this project, diesel powered generators will be replaced by solar PV and wind generators to independently produce power without emitting CO₂. And, ESS will be installed to store extra power and use it when needed. Smart grid technology, which adjusts power production and consumption in real time, will maximize electricity efficiency and ensure a stable supply of electricity

by generating different energy sources. Ulleung energy independent island will be a new energy model that can supply power to islands or remote areas which suffer from power shortages.

The second business model makes use of ESS. Under this model, electricity is saved in ESS at night when prices are low and sold during peak hours when prices are high. The Korean government is providing support to develop diverse business models using ESS.

I would like to talk about the outcomes of Korea's policy for deploying clean energy. In 2012, the Korean government introduced the RPS program, which makes it mandatory to supply a certain ratio of power with renewables. The RPS program aims to efficiently achieve the national renewable target by promoting competition between renewable energy sources and businesses. As a result of the three-year implementation, the renewable market and industry have achieved both quantitative and qualitative growth. The amount of solar PV generation has grown to 25GW, and renewables record an annual growth rate of 30%. Based on these achievements, the government will expand the mandatory supply ratio to 10% by 2024.

I believe the definition of energy rich will mean diverse energy solutions. in the future. I look forward to sharing different experiences with each other and learning lessons from other member countries.

Thank you.