



# Transport Energy Efficiency policy in Republic of Korea

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**KOREA ENERGY  
MANAGEMENT CORPORATION**

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## **About KEMCO**



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## **About KEMCO**

- History**
- **1980** Establishment of **KEMCO**
  - **2003** Foundation of the **New & Renewable Energy Center** (affiliated)
  - **2005** Opening of the Korea **GHG Reduction Registry Office** and the **CDM Certification Office** designated by the United Nations



**Organizations** 4 Headquarters, 1 Renewable Center, 12 Regional Branches (Staff: 455 persons)

## Major Activities

### Energy Efficiency and Saving

- **Implementing Sectoral EE Programs** (Industry, Buildings, Transport)
- **Market Transformation for Energy Efficiency** (Labeling and Certificates)
- **Financial Supports** (ESCO, Loan), **Educations and Public Campaigns**

### New and Renewable Energy

- **Deployment of Green Buildings and Homes**
- **Certification of New & Renewable Energy Systems**
- **Financial Supports** (Subsidy, Loan), **Public Obligation, RPS, FIT, etc.**

### Climate Change Response

- **GHG & Energy Target Agreements**
- **Registration and Certification of Voluntary GHG Reductions (KCER\*)**
- **Certification for CDM Projects**

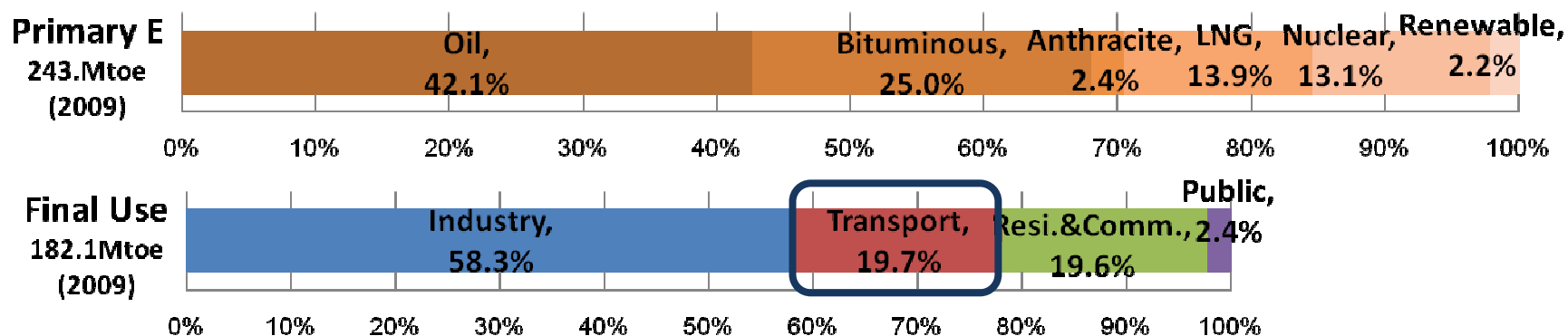
\* KCER : Korea Certified Emission Reductions


**II**

## **Energy Use in South Korea**

# Energy Use in South Korea

- Energy uses and energy-related CO2 emissions have increased due to the fast industrialization history.
- South Korea stands in World's 10<sup>th</sup> largest energy consumer. (96% of energy is imported, 84% fossil fuels)
- Energy imports of \$121.7 billion in 2010 occupied 28.6% of gross imports which were much higher than the exports of semiconductors and automobiles combined.








## **III Transport Energy Efficiency Programs**

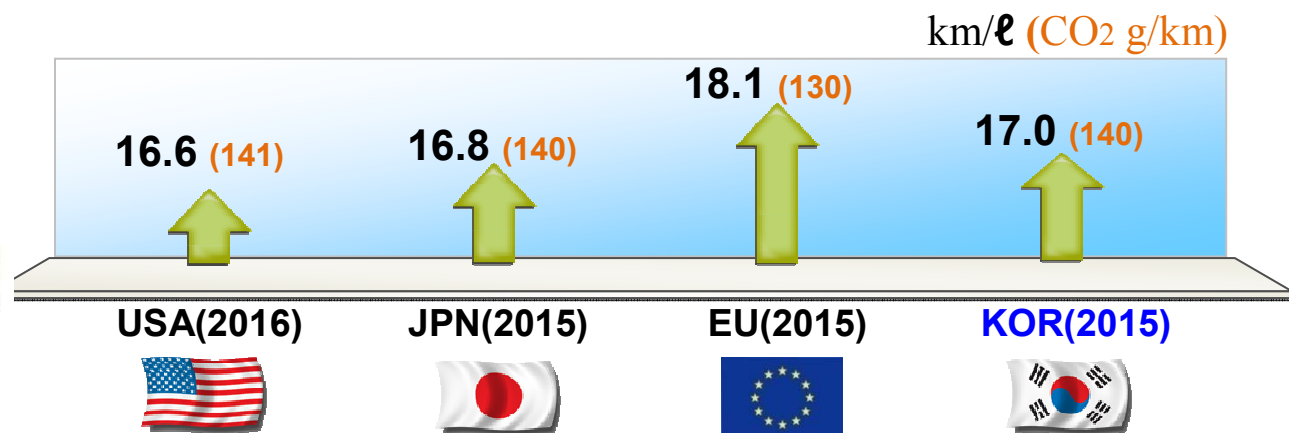
# Fuel Efficiency and Labeling Program

- **The program is to promote development of high-efficient vehicles and to encourage consumers to purchase those.**
- Manufacturers have to put a labeling sticker with the information of fuel efficiency and grade.
- The most efficient vehicles are granted with Grade 1 and the least with Grade 5.
- CO<sub>2</sub> emissions(g/km) is indicated with other information.

| GRADE                  | 1   | 2  | 3   | 4   | 5   |
|------------------------|---|--|---|---|---|
|                        | 15 or over  | 14.9~12.8  | 12.7~10.6   | 10.5~8.4  | 8.3 and less  |
| Fuel Efficiency (km/L) |  |  |  |  |  |

# Average Fuel Efficiency Program

- ❏ **Set regulatory vehicle standards on fuel efficiency and GHG emissions considering internationally compatible measurement criteria.**
- Automakers can choose the target options either fuel economy of 17km/ℓ or GHG emission of 140gCO<sub>2</sub>/km by 2015.
- Fuel efficiency or emission standards are to be applied within 30% of total sales from automakers in 2012 and gradually raised to 100% of sales by 2015.
- If automakers can't meet the obligations, penalties can be imposed.



# Other Programs for Transport Energy Efficiency

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## Promoting Fuel Efficient Vehicles (Small Cars)

- Small Cars (less than 1,000cc or under) have better fuel efficiency than the bigger passenger vehicles.
- To promote usage of small vehicles, incentive programs such as tax reduction, discounted parking rates are operating.

## Tire Efficiency Standards and Labeling Program

- Tires accounts 4~7% of automotive fuel consumptions.
- Tire efficiency rating system will be rated with 5 grades.
- Pilot certification program will be started in the second half of 2011.

## Green & Smart Transportation Partnership

- Partnership is a Voluntary Agreement program
- Goal is to promote exchange of information and technology between participants and to identify energy-saving measures.

Emblem Name : **SeSe**

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**"SAVE ENERGY, SAVE EARTH"**

**Gracias!**