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Participation in Korea Energy Transition Conference 2018

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On October 4, I took the opportunity to participate in the Korea Energy Transition Conference 2018 (that took place October 4 and 5) in Seoul. Hosted by the South Korean Ministry of Trade, Industry and Energy, the conference was organized and operated by South Korean energy organizations such as the Korea Energy Foundation and the Korea Energy Economic Institute (KEEI), as well as relevant corporations. As indicated by its title, "Energy Transition, for a Better Future," conference participants discussed how South Korea's future energy would be and how to proceed with energy transition toward the future.

The Moon Jae In administration inaugurated in May 2017 has attempted to implement new policies in various fields including energy. The administration has come up with and is about to implement a policy of transitioning from coal and nuclear energy to renewable energy and natural gas as major energy sources. Coincidently, energy transition has become a keyword amid various technological innovations and energy market changes in the world. In such circumstances, South Korean energy policy stakeholders from government, industry and academia sectors were invited along with foreign experts and industry people to the two-day conference, having active discussions on South Korea's energy transition.

Reflecting the current administration's problem consciousness, foreign invitees remarkably included experts, government officials and businessperson from such countries as Germany and Denmark. In a keynote address after the opening ceremony, Professor Dr. Peter Hennicke, a former president of Germany's Wuppertal Institute, explained the initiatives taken, achievements and future challenges regarding "Energiewende" or energy transition in Germany and emphasized the significance of international energy cooperation including Germany-South Korea collaboration.

In a session in which I participated, Danish Energy Agency Director-General Kristoffer Böttzauw explained Denmark's energy transition including the expansion of wind power generation. He emphasized that the key to energy transition in Denmark and Germany would be the powerful promotion of wind, solar and other renewable energy sources while top priority would be given to energy conservation. Kobad Bhavnagri of Bloomberg New Energy Finance described a global downward trend of wind and solar photovoltaic power generation costs and forecast that renewable energy sources would dramatically expand their energy mix share.

On Japan's energy transition initiative, I explained that the fifth Strategic Energy Plan subjected to a cabinet decision in July this year reaffirmed a policy of achieving a 2030 target energy mix steadily and introduced a multiple track scenario approach considering innovative technologies

to be developed over a long term. I also emphasized that an approach behind the new Strategic Energy Plan seeks to simultaneously achieve the so-called 3E's plus S – Energy security, Environmental protection and economic efficiency plus Safety – in a balanced manner and that all feasible energy options should be used effectively with their weak points overcome in the absence of any almighty energy source.

In panel discussions, I pointed out that when we examine and implement strategy for energy transition, we should understand and give consideration to country-to-country differences in geographical, geopolitical and socioeconomic conditions and in energy source endowment and energy-related infrastructure and that international cooperation would be significant for overcoming challenges involving such differences.

Interesting to me in this respect was a presentation by former KEEI President Dr. Kim Jin Woo on "Energy Vision 2040 and Major Policy Direction of Korea" in a session where I was present. Dr. Kim, who is responsible for a task force to work out the third Basic Energy Plan of Korea, made an interesting report on a basic energy policy guideline or direction and relevant policy measures while giving no specific numerical targets.

The basic guideline consists of six pillars: (1) Innovation of energy demand management, (2) Integrated smart energy system centered on renewable energy, (3) Promotion of new energy industry, (4) Realization of public/decentralized energy governance, (5) Strengthening energy & resource cooperation and (6) Establishment of infrastructure to match energy transition. Particularly, the first four aim to use advanced technologies for promoting energy conservation and renewable energy strongly. They are designed to fundamentally enhance energy and environmental measures, foster new industries and expand employment. In this sense, the third Basic Energy Plan may take the abovementioned German and Danish initiatives into full account.

In panel discussions, however, Dr. Kim pointed out that the future picture of energy that South Korea is mapping for energy transition should be not only ambitious but also realistic. He meant that the ambitiousness of the targets should be balanced with their reality. He also noted that full consideration should be given to country-to-country differences in conditions for energy transition, as I pointed out. I am looking forward to seeing how the final third Basic Energy Plan would be and what policy measures Seoul would pursue for realizing the plan. However, I would like to emphasize here that energy transition would not be easy for any country.

South Korea, Japan and all other countries will have to tackle the challenge to balance ambitious energy transition targets with realities, as noted by Dr. Kim. The challenge will require each country to secure wide support from respective citizens based on scientific, objective and reasonable information, analyses and arguments.

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