



Green Finance in Korea

Ministry of Strategy and Finance

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1. Overview

- o (Institutional Framework)
 - Green Certification System
 - Technology Rating System
 - Green Management Disclosure Program

- o (Public Finance)
 - Public Fund
 - Loan
 - Guarantee
 - Insurance

- o (Private Finance and Capital Market)
 - Green Loan
 - Green Fund
 - Green Bond
 - Green Insurance

2. Institutional Framework

- o (Green Certification System)

- Linkage Enhancement with green industry and financial provision through green certification

- o (Technology Rating System)

- Support increase in loan to companies with outstanding technology in the green industry based on the technology credit evaluation

- o (Green Management Disclosure Program)

- Voluntary disclosure at the Korea Exchange

3. Public finance

- o (Public Fund)

- Green fund has been mobilized through ministries and public bank

- o (Loan)

- Favorable interest rate by public financial institutions for companies related to green certificate

- o (Guarantee)

- Guarantee fee discount for green companies

- o (Insurance)

- Support about 80% of Agriculture and Fisheries Disaster Insurance fee with preferential benefits and fee discount

4. Private Finance & Capital Market

- o (Green Loan)

- Preferential treatment in lending limit and rate by private financial institutions to green industry and companies

- o (Green Fund)

- Fund for companies involved in green industry has been mobilized through public and private sector

- o (Green Insurance)

- Private insurance companies support compensation by disaster with collaboration with government

- o (Green Bond)

- Public and private sector have issued green bond

5. Green bond

o (Korea Development Bank, Public)

- (Issuance year) 2017 (Issuance amount) 300 million (Due) 3 years
- (Eligible sector) project related to climate change such as green industry and renewable energy

o (Korea EXIM Bank, Public)

- (Issuance year) 2013, 2016 (Issuance amount) 400 + 500 million (Due) 5 years
- (Eligible sector) low carbon and eco friendly project

o (Hyundai Capital, Private)

- (Issuance year) 2016 (Issuance amount) 500 million (Due) 5 years
- (Eligible sector) Purchase of hybrid eco friendly vehicle

6. Discussion Topics

- o (Green bond)

- Incentives for issuance, guideline, usage of proceed monitoring, governmental role

- o (Financial institutions for Climate Finance)

- Logical evidence to establish the institutions, integrated management of global/domestic climate finance mobilization and delivery

- o (Green Climate Fund)

- Resource mobilization and replenishment, mobilizing climate finance through private sector(PSF)