



BPMR Mission: Korea

Industry to Industry Dialogue on Emissions Trading and Market Readiness

September 26-27

[COEX Convention & Exhibition Center](#), Gangnam-Gu
Seoul, Republic of Korea

I. Introduction

In April 2011, the South Korean government released its final draft for an emissions trading system, modeled on the EU ETS that outlines a three-phase program. This program, however, is not limited to a ten-year term of operation. Korea became the first Asian country to pass a national cap-and-trade system when the National Assembly passed this bill on May 2, 2012 almost unanimously. Emissions trading in Korea is scheduled to begin on January 1, 2015. The system was designed to cater towards the opinions of stakeholders and industry, as well as accounting for South Korea's international competitiveness.¹

South Korea is the *first Asian country* to pass a national economy-wide ETS into law, and it is on track to become the second Asian country to implement its national economy-wide ETS.

The B-PMR Mission in Korea will compliment efforts being undertaken by the Ministry of Environment, Korea to prepare Korean industry and market operators for emissions trading.

II. Background

The International Emissions Trading Association (IETA) as a supporter of the global carbon market and a promoter of dialogue and exchanges between various stakeholders commits itself to promoting communication and collaboration between industrial enterprises and government departments over carbon emissions trading issues worldwide. In April 2012, the International Emissions Trading Association held in Beijing a workshop on how industrial enterprises take part in and prepare for carbon emissions trading and produced good results. Following this it launched the "Business Partnership for Market Readiness" (BPMR) and held its 1st BPMR Mission in Guangdong and Shenzhen in February 2013. Details of the BPMR Mission are available [here](#).

¹ "Anthony Mansell and Peter Sopher (2013), South Korea: A Case Study, The World's Carbon Markets, IETA and Environmental Defense Fund"



Main points of the Mission:

- **Industry readiness:** Improve the understanding and knowledge of Korean industry on the role and function of a GHG emissions trading scheme.
- **Knowledge transfer:** Enhance the ability and skills of Korean industry to participate in the Korean ETS (K-ETS).
- **Policy preparation:** Assist the competent authorities in Korea to find out how to prepare and develop procedures for participation by industrial emitters of the K-ETS, and to gather their opinions and feedback on industry readiness.

III. Main Elements and Topics

The Dialogue will include the following topics:

- Trading strategies and internal allowance management
- Allowance calculation and offset management
- MRV at the installation level: day-to-day industry best practice for MRV management
- Financial products and trading carbon
- GHG auditing and verification
- Data quality and quality control
- IT tools and GHG trading infrastructure

IV. Schedule and Admin Details

(1) Time: 2 days; 26-27 September 2013

(2) Meeting Location: [COEX Convention & Exhibition Center](#), Gangnam-Gu, Seoul

(3) Organizers: International Emissions Trading Association (IETA)

(4) Foreign Supporters: International Emissions Trading Association (IETA), British Embassy Seoul

(5) Local Supporters: Ministry of Environment, Korea

(6) Simultaneous translation will be provided throughout

(7) A post-Mission workbook will be developed and put on the IETA website by a media firm or, by the IETA Secretariat.



V. Agenda

September 26, Day One All Day- Seminar

| Time | Contents | Speakers |
|--|--|--|
| Opening Remarks | | |
| 13:30-13:40 | Opening remarks by Minister of Environment, Republic of Korea | TBD |
| 13:40-13:50 | Opening remarks by British Ambassador to the Republic of Korea | British Embassy Seoul |
| 13:50-14:00 | Opening remarks by Ministry of Environment ETS Task Force Republic of Korea | Mr. Boom Sik Yoo, Director ETS Task Force |
| 14:00-14:10 | Opening remarks by President and CEO of IETA | Mr Dirk Forrister |
| 14:10-14:45 | Introduction of Korea ETS | Ministry of Environment, Republic of Korea |
| 14:45-15:00 | Discussion & Tea Break | |
| Theme 1: Preparing for and participating in an ETS (Examples and best practices from European companies that prepared for and participate in the EU ETS) | | |
| 15:00-15:25 | ETS Readiness: How firms prepare for and thrive in a CO2-capped environment? Including | Roon Osman, Shell Trading |
| 15:25-15:45 | ETS Compliance: Rules and Policies that UK and EU Operators Follow | Abyd Karmali, Bank of America Merrill Lynch |
| 15:45-16:00 | Discussion & Tea Break | |
| 16:00-16:45 | All about Allowances: How to manage, surrender, and capitalize | Richard Chatterton, Bloomberg New Energy Finance (tbc) |
| Theme 2: The ETS Life Cycle | | |
| 16:45-17:05 | EU ETS Reporting and Monitoring Guidelines: What is it and why is it important? | Robert Hansor, LRQA |
| 17:05-17:45 | Carbon Asset and Carbon Offset Management: Experience sharing and best practices | Eric Boonman, Statkraft |
| 17:45-18:30 | Case Study: Consultants and Service Providers to the Carbon Market | Changmin Yoo, PwC (tbc) |
| 18:30-20:30 | Reception with the British Embassy Seoul. Location: COEX | |



September 27, Day Two Morning - Seminar

| Time | Contents | Speakers |
|-------------------------------------|--|--|
| 8:30-9:00 | Summary and Wrap Up Discussion of Day One | IETA |
| Theme 3: ETS Infrastructure | | |
| 9:00-10:00 | The Exchange: How carbon is traded on an Exchange and in the OTC Market | Manuel Moeller, European Energy Exchange AG (EEX) |
| 10:00-11:00 | The Registry: How carbon is stored on a Registry and how it functions | Andy Kruger, Markit Environmental Registry & Auction |
| 11:00-11:20 | Discussion & Tea Break | |
| Theme 4: Operational impacts | | |
| 11:20-12:00 | The substantial impacts of ETS to the operation and development of enterprises in the EU: what you need to know | TBD |
| 12:00-12:40 | Pacific Rim Carbon Markets: Insights and Experiences from direct participants in the Californian and Australian carbon markets | Lloyd Vas, (Carbon Market Institute), Roon Osman (Shell), Julie Mulkerin (Chevron) |
| 12:40-13:00 | Discussion | |
| 13:00-14:30 | Lunch | |

September 27, Day Two Afternoon — Break Out Groups

| Theme 5: Sector Break Out Groups: ETS experience sharing & In-depth discussions | | |
|--|--|--|
| 14:30 – 16:15 | <p>Group A: Industry: Speaker(s): Julie Mulkerin, Chevron and Jason Lee, Solvay Energy Services</p> <p>Group B: Industry Speaker(s): Roon Osman, Shell Trading and Giles Dickson, Alstom</p> <p>Group C: Infrastructure Speaker(s): Manuel Moeller, European Energy Exchange AG (EEX) and Andy Kruger, Markit Environmental Registry & Auction</p> <p>Group D: Finance Speaker(s): Abyd Karmali, Bank of America Merrill Lynch and Eric Boonman, Statkraft</p> <p>Group E: MRV Speaker(s): Robin Wang (tbc), Bureau Veritas and Hee-Jeong Yim, LRQA</p> | |
| 16:15 – 16:45 | Discussion & Tea Break | |



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|-------------|--|-----------------------|
| 16:45-17:15 | Energy consumption and emission management experiences from the EU ETS | EcoEye |
| 17:15-17:45 | Domestic Offset Systems: Case Studies and Examples on how offset credits are used around the world | David Antonioli, VCS |
| 17:45-18:15 | Experience sharing on broader issues dealing with EU ETS and overlapping policies | Giles Dickson, Alstom |
| 18:15-18:30 | Summary of B-PMR Mission and Closing Statement | IETA |
| END | | |

For any questions on the Mission, please contact Jeff Swartz (Swartz@ieta.org), +32 2 230 1160

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