Key Messages

1. Now is the Time for Climate Action.

2. Now is the City’s Time for Climate Action in a Glocalization Era.

3. Transition & Transformations are Key to City’s Climate Action.

4. Innovative Technology for Decarbonization & Digitalization is Critical to City’s Transition.

5. For that to happen, No Single Actor Can Deliver in Tackling Climate Change.
The former UN Secretary-General Kofi Annan called for the Global Compact in the World Economic Forum on Jan 31, 1999.

The UN Global Compact was established in the UN headquarters, NY in July 2000. (Joined by world business leaders, corporations, UN organizations, labor and civil groups)

The backgrounds
⇒ Expansion of the influence of corporations on environmental and social issues
⇒ Recognition of the importance of corporations to achieve the UN’s goal
⇒ Necessity of the establishment of the UN agency for corporate’s social responsibility

* UN Global Compact Network Korea was founded in 2007.
POTENTIAL FOCAL POINT: MONITORING TECHNOLOGIES

- Disaster monitoring technologies
- South Korea's indigenous geostationary weather satellite Chollion-2A, released in early 2019
- Smartphone applications for sharing information with the public considered "signature" projects

UNGC 10 PRINCIPLES + SDGs (adopted in 2015)

Pursue the 10 principles in the 4 sectors based on the existing international agreement and sustainable development goals

- HUMAN RIGHTS
  - Universal Declaration of Human Rights (1948)

- LABOUR
  - ILO Declaration on Fundamental Principles and Rights at Work (1989)

- ENVIRONMENT
  - Rio Declaration on Environment and Development (1992)

- ANTI-CORRUPTION
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UNGC/ESG/ SDGs

HOW THE TEN PRINCIPLES AND SDGS RELATE

- Economic
- Social
- Environment

- Anti-corruption
- Human Rights
- Labour
- Environment

1. Peace & Justice
2. Peace & Justice
3. Gender Equality
4. Education
5. Water & Sanitation
6. Affordable & Accessible Energy
7. Economic Growth
8. Decent Work
9. Industry & Innovation
10. Responsible Governance
11. Sustainable Cities & Communities
12. Climate Action
13. Life on Land
14. Life Below Water
15. Peace & Justice
16. Life on Land
17. Peace & Justice
The background of ESG values

- The term, ESG, was first used in the ‘Who Cares Wins’, a report co-written by UNGC and about 20 financial institutions in 2014.
- The idea of the former UN Secretary-General Kofi Annan that stressed responsible investment considering the environment, society, and governance led to the establishment of the UN Principles for Responsible Investment (UN PRI) with the support of UNGC and UNEP FI (United Nations Environment Finance Initiative).
- PRI is an investment initiative to support the foundation of a sustainable investment environment. The collective AUM represented by about 4,000 PRI signatories (including the major NPF and businesses) reached more than $103 trillion (2/3 of the world AUM).

The Six Principles for Responsible Investment

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry.
5. We will work together to enhance our effectiveness in implementing the Principles.
6. We will each report on our activities and progress towards implementing the Principles.
1 The Impact of Climate Change


https://www.youtube.com/watch?v=ggygrpNB0Hl
https://www.youtube.com/watch?v=fo1Boia7mtI
★ 2023 Summer (highest record)
Heat waves, droughts, floods, typhoons, etc.
- Not only in Korea but also in the other parts of the world

→ Importance of Adaptation : “Future is now” in response to climate change
=> Abnormal is New Normal

Adverse effects of climate change

- Global Average Temperature: rising
- Sea level: rising (* Small Island States: sink)
- Ecosystem: threatened
- Water shortage / Food shortage
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- IPCC (Intergovernmental Panel on Climate Change):
  - Independent Scientific Body (Former Chairman: Dr. Lee Hoesung)
  - 1st Report ('90): Observation for Climate Change
  - 2nd Report ('95): Climate Change caused by Human Behaviors
  - 3rd Report ('01): Its Possibility (66%)
  - 4th Report ('07): Its Possibility (90%)
  - 5th Report ('14): Its Possibility (97%)
  - 6th Report ('23): Its Possibility (Unequivocal)

※ To Address Climate Change: Importance of R&D for Green Technology
THE ALARM BELLS ARE DEAFENING
and the evidence is irrefutable: greenhouse-gas emissions from fossil-fuel burning and deforestation are choking our planet and putting billions of people at immediate risk.

“Code Red for Humanity”

- IPCC Report, 2021
Significance of Cities: Glocalization & Tackling Climate Change

- The Shift from Globalization to Glocalization
  - Glocalization: combination of Global and Local Considerations
    - “Think Globally, Act Locally”
    - “Making Global Goals Local Business” (UNGC Slogan)

- Tackling Climate Change
  - Collective Efforts Needed
    - Public & Private (companies, citizens, etc)
    - National & local government (city)

- City: Driving Force for Addressing Climate Change
Cities account for 2% of the world's landmass, but 70% of global greenhouse gas emissions (Martinus, 2020)

2.5 billion people likely to be added to the urban population by 2025 (UN, 2018)

Southeast Asia
- Nearly 50% of ASEAN's population believed to reside in cities (Martinus, 2020)
- Urban population drives 2/3 of the region's economic growth (McKinsey, 2018)
Key ISSUES & Areas to be addressed by cities

*Keynote speech: providing the basis for discussions in the next sessions

Key Issues

(1) Setting the Goal of Mitigation & Adaptation
   - 2050 Net Zero Target / Application of Green New Deal Policy
   - Adaptation Strategy & Plan

(2) Energy Transition From Fossil Fuel to Renewable Energy

(3) A Paradigm Shift From Linear Economy to Circular Economy

(4) Nature-Based Solution
Key ISSUES & Areas to be addressed by cities

Approaches and Areas

(1) Approaches: contribute to **decarbonization**

- **Digital-Based Approach**
  - Innovation of production & logistics through digital technologies:
    - contribute to drastically reduce the use of resources and
    - increase the efficiency of energy / Ex> Smart Parking

- **Nature-Based Approach**: harmony with Planet

- **Market-Based Approach**: cost-effective
Key ISSUES & Areas to be addressed by cities

(2) Areas

- Through Digitalization -> Smart City
- Through Circular Economy -> Waste Management & Utilization
- Through Nature-Based Resources -> City Forests / Mangroves
- Through Market Mechanism -> Int'l Carbon Market / Emission Trade System
WHAT IS A “SMART CITY”?  

- A digital, knowledge-driven city that utilizes various Internet of Things (IoT) and other technologies to improve the quality of life and ensure better sustainability (safety, transportation, waste management, etc.).

- Examples of smart city initiatives: carbon recycling, smart grids, wastewater treatment, and zero energy house development, smart mobility.
City’s Obstacles: Lack of Resources, Capacity and Authority

1. With National government
   (1) Request financial support
   (2) Voice the position in formulating national policy
   (3) Request transferring the responsibility on the energy system

2. With Companies
   (1) Int’l carbon market mechanism
      *Article 6(Market Mechanism) Guidance: completed in COP26, Glasgow, UK, Nov. 2021
   (2) Various Projects: Like CDM Projects in the Kyoto Protocol
      *Under CDM Projects, only 1% of projects have been submitted by municipalities

3. With Citizens
   (1) Youth Forum/ Campaign
   (2) Training & Education
Collaboration with Korea

*226 Korean local governments declared 2050 Carbon Neutrality (2021)

1. Finance
   (1) ODA/ARCF (ASEAN-ROK Cooperation Fund)
   (2) GCF/GGGI

2. Technical Assistance
   (1) Smart cities for mitigation
   (2) disaster monitoring for adaptations

3. Capacity Building
   (1) Education
   (2) Training
**SOUTH KOREA’S ASSISTANCE**

<table>
<thead>
<tr>
<th>Financial</th>
<th>Technical</th>
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<tbody>
<tr>
<td>■ ASEAN-ROK Cooperation Fund (ARCF)</td>
<td>■ South Korea’s domestic smart city project since 2006</td>
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<tr>
<td>■ Green New Deal Fund</td>
<td>■ U-City Construction Activation General Plan by Ministry of Information and Communication</td>
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<tr>
<td>▪ 5 million USD to aid carbon neutrality development in developing countries</td>
<td>■ Smart city project in Songdo</td>
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<td>■ Multilateral means</td>
<td>■ 2008 U-city Strategy Plan</td>
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<td>▪ Green Climate Fund (GCF)</td>
<td>■ Incheon Free Economic Zone</td>
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<tr>
<td>▪ Global Green Growth Institute (GGGI)</td>
<td>■ &quot;Most integrated operations command center&quot; in South Korea (Lee et al., 2016)</td>
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Next 10 years: Decade of Decarbonization and Digitalization

2021 (Super Year)
- First year of implementing Paris Agreement
  - Updated Nationally Determined Contribution (NDC)
  - Communication of 2050 LEDS

2030 (Target Year)
- Achieving NDC and SDGs
  - (Next 10 years will be a critical decade of decarbonization and digitalization)

Fast mover will be the winner in a glocalization era.