Key Projects of the

Environmental Policy Office

Fostering Environmental Technology and Industry

· Development of Environmental Technology

The development of environmental technology is essential to improve environmental quality and is emerging as a promising growth engine that can lead to the fostering of an environmental industry and make inroads into overseas markets. In this regard, the government is endeavoring to facilitate the development of environmental technology. The Ministry of Environment has been supporting the development of environmental technology through major R&D projects since the 1990s. Currently in progress is the Eco-Innovation Technology Development Project (2011-2020), which focuses on developing water industry technology, eco-friendly vehicle technology, and technologies to convert wastes into useful resources. The Ministry of Environment is also working on issue-associated R&D projects such as a soil-groundwater pollution prevention technology development project, an environmentally converged new technology development project, a project to facilitate the industrialization of promising environmental technology, an environment health technology development project, a project to develop strategic technology responding to climate change, and a waste-to-energy technology development project. The Ministry of Environment plans to proceed with strategic and systematic R&D investment according to the Eco-TRM (technology road map) 2022 and promote various measures to use and commercialize outstanding technologies developed through the R&D projects, including technology exhibitions, consulting, technology transfer and public relations via media outlets.

· Fostering Environmental Industry

Although the Korean environmental market has recently demonstrated steady growth, it is necessary to overcome the smallness of businesses, and the saturated domestic market makes it essential to enter overseas markets.

The Ministry of Environment provides multifaceted support to foster the growth of small companies in environmental industry. It is building environmental industry application research complexes for small to medium-sized enterprises, through which it will provide assistance throughout the entire process of R&D, commercialization, and entry into overseas markets. The reaserch complex in the Honam region was completed in 2013, and one in the Metropolitan area is scheduled for completion in 2017. Launched in 2010, the commercialization support project for small to medium-sized companies in environmental industry aims to facilitate the commercialization of excellent environmental technologies developed by small to medium-sized companies by offering business consulting

for each stage of commercialization, funding support for commercialization, and support for fundraising. The Outstanding Environmental Company Designation System, initiated in 2012, designates promising environmental companies with outstanding business performance and technology and high growth potential as “Outstanding Environmental Companies” and offers a package of financing, export, personnel, and marketing support. To facilitate management support for and encourage environmental facility investments in environmental companies, the Environmental Policy Fund Project offers long-term, low-interest loans to support the Environmental Industry Fostering Fund, Recycling Industry Fostering Fund, and Environment Improvement Fund.

The Ministry of Environment is involved in a wide range of support projects to ensure the success of overseas ventures by the environment industry. For example, it is laying the groundwork for cooperation by supporting the formulation of environmental improvement master plans in developing countries, facilitating business exploration by subsidizing the costs of feasibility studies for overseas environmental projects, and ensuring that businesses are suitable for local conditions by supporting joint commercialization of outstanding technologies with the target country. In recognition of the fact that environmental projects are often government-led, the Ministry of Environment is helping to build a network with the governments of target countries by sending private-public delegations to organize face-to-face talks between companies and local government officials, and inviting key persons and buyers from promising countries to hold B2B conferences. It also publishes a guidebook that analyzes market trends in promising countries and suggests methods of entry in order to help with overseas entry strategies.

Introduction of the Integrated Environmental Management System

A permit system for pollution-emitting facilities is one of the most fundamental measures of pollution control policies. Although environmental pollution is becoming

The environmental industry application research complexes will provide assistance for SMEs in environmental industry.
(Photo: Environmental Industry Application Research Complex in Incheon)

increasingly complex, the previous emissions permit system was segmented by medium and substance, unable to address cross-media issues. Accordingly, Korea is combining the previous emissions permit system with the Integrated Pollution Prevention and Control (IPPC) system of the EU, aiming for a fundamental shift in the pollution control paradigm.

The new permit system reduces the administrative burden by combining permits for each media into a single procedure. Permit details are regularly examined to reflect technological advancements and changing circumstances, providing opportunities to correct any errors in the permit. “Best Available Techniques” (BAT) are selected for each industry by accounting for the effectiveness of pollution reduction and economic feasibility. Permissible emission levels are customized for each establishment by considering the BAT and circumstances specific to each local area and establishment. This ensures that emissions regulations are implemented at the optimum level of environmental protection and accounts for economic costs of each establishment.

To enforce the new system, an expert technical panel will be established to be in charge of matters such as technical reviews of permit applications. Industries will directly participate in a technical working group, which will consider factors such as the current technology of each industry to select BATs. An online “Integrated Environment Permit System” will also be established to provide the technical information necessary for the integrated permit and support the permit procedure.

Legislative procedures for the Integrated Environmental Management System are currently underway. The system will be applied to 20 target industry sectors when the legislation is complete.

Introduction of the Environmental Pollution Damage Compensation System

When environmental pollution accidents occur, victims file lawsuits to receive compensation for the damage. However, the victims of environmental pollution accidents are often unable to obtain proper compensation due to the burden of proving that their injury resulted from the pollution, or a prolonged litigation process, or the inflictor's inability to compensate for the damage, including bankruptcy. Meanwhile, companies that caused such accidents may go bankrupt because they cannot bear the financial burden of paying the compensation. Against this background, circumstances, the government is pursuing the introduction of an environmental pollution damage compensation system to offer prompt relief for people with environmental pollution damages and secure the stable management of businesses with such accidents.

The Environmental Pollution Damage Compensation System aims to provide timely and fair relief to victims of environmental pollution damage. It clarifies the scope of responsible facilities and damage compensation, establishes polluter pays principles that impose liability without fault, relieves victims' proof burden by inferring causal relations and claims to information, and mandates that companies have an environmental liability insurance policy to secure the fulfillment of obligations. Meanwhile, cases of the unknown origin, nonexistence, and incapacity of the inflictor or damages exceeding compensation ability limits will be compensated by the government. Once established, this system will ensure that victims receive compensation for damages in a timely manner through environment liability insurance, and the companies with the accidents are mitigated from the burden of compensation, enabling stable management.

To establish the framework of the new system, the government opened a “Policy Forum for Compensation and Relief of Environmental Pollution Damages” consisting of various stakeholders comprising the National Assembly, academia, industrial and insurance circles, judicial organizations and civic groups in April 2013, and established a draft of the act, for which legislation is currently underway.