



Korean CCUS Act passed

2024.02.13

Carbon capture, utilisation and storage (“**CCUS**”) is seen in Korea as one of the key means to achieve the 2050 carbon neutrality goal.

No integrated laws relating to CCUS existed in Korea prior to 6 February 2024. In order to promote CCUS projects, an integrated law entitled Act on Capture, Transportation, Storage and Utilization of Carbon Dioxide (“**CCUS Act**”) has been enacted and promulgated. It will become effective on the first anniversary of its promulgation.

Key takeaways

- The CCUS Act seeks to foster the CCUS industry through financial, administrative, and technical supports.
- Captured carbon dioxide and materials or objects produced using captured carbon dioxide and not mixed with other waste do not constitute waste under the Wastes Control Act. Accordingly, we do not expect that the export-import restrictions under the Act on the Transboundary Movement of Hazardous Wastes and Their Disposal will apply to carbon dioxide.
- If a carbon dioxide capture business is subject to allocation under the Emissions Trading Act, the amount of carbon dioxide captured and supplied by the business may be taken into consideration when calculating carbon dioxide emissions.
- We expect that carbon dioxide may be transported using ships, automobiles, railroad, etc. The detailed scope of the means of transportation will be set out in the regulations to be released in due course.
- The permits and minimum standards relating to storage are set out in the CCUS Act. The CCUS Act imposes various obligations on storage business operators, including the establishment of monitoring plans for storage facilities and the burden of costs associated with the closure of storage facilities together with any restoration work.
- Both the approval from the Minister of Oceans and Fisheries and the Ministry of Trade, Industry and Energy must be obtained should an operator seek to store carbon dioxide in an underground marine storage facility. Attention will need to be given to the inter-relationship between the two Ministries.

If you have any questions or need help with the above, please feel free to contact us. Our dedicated Project & Energy Group is recognised as a top ranking team in various international publications such as Chambers & Partners. It is the only Korean law firm that provides a one-stop service that can assist project and energy clients with regulatory advice, project finance, construction and operation and M&A.

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