

PRESS RELEASE

S. Korean environmental groups welcome Australia's high court ruling

South Korea's largest utility confronts the reality of a global coal exit.

February 10, 2022 – Climate activists praised the High Court of Australia for rejecting the appeal on South Korean utility KEPCO's controversial Bylong coal project proposal.

The High Court's ruling concludes a decades-long saga that prompted backlash in local communities in NSW and in South Korea.

"The Bylong case shows that the people will stand up for their rights to a healthy environment," said Dongjae Oh, a researcher at Seoul-based Solutions for Our Climate. "As South Korea's largest utility, KEPCO must transform Korea's outdated energy market towards 100% renewables because the future of coal is stranded."

The [court's decision](#) comes after an [initial rejection](#) by the NSW Independent Planning Commission (IPC) in 2019 for environmental concerns, including effects on groundwater and agricultural land. The project was also expected to produce over [200 million tons](#) of greenhouse gas emissions over its 23-year operation.

The ruling leaves no further legal avenue for KEPCO, the South Korean state-owned utility company, putting an end to the Bylong coal project. As a result, the company is expected to lose over AUD 930 million (800 billion won), showing that coal projects are quickly becoming stranded assets as much of the world transitions away from coal.

"This case should serve as a forewarning to another South Korean company SK E&S that is also facing a legal challenge for its highly polluting [Barossa LNG project](#) in Australia," Dongjae Oh said.

Despite South Korea's pledge to end overseas public financing of coal last April, South Korean companies have continued to pursue coal projects around the world in contradiction of Korea's climate goal. On top of Australia, South Korean firms have pursued coal projects in [Vietnam](#) and [Indonesia](#). The Indonesian coal project was similarly taken to court in 2020 over its public health risks from air pollution.

"Besides coal, Korea is one of the [largest financiers](#) of oil and gas in the world," added Oh. "To avoid further stranded asset risk, South Korean companies and financial institutions must learn their lesson from the Bylong coal project and exit from fossil fuels."

ENDS.

Solutions for Our Climate (SFOC) is a South Korea-based group that advocates for stronger climate policies and reforms in power regulations. SFOC is led by legal, economic, financial, and environmental experts with experience in energy and climate

policy and works closely with policymakers.

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