



New Urban Vitality through the ‘Hydrogen City Creation Project’

Released Date: 14 February 2023

Department in Charge: Urban Vitality Division, MOLIT

Contact: Annie KIM / Global Media Communicator, MOLIT / audiis2@korea.kr / +82 44 201 3056

Briefing on the Hydrogen City Creation Project held for local governments at the Government Complex Sejong on 15 Jan.

The Ministry of Land, Infrastructure and Transport (MOLIT, Minister WON Hee-ryong) announced that MOLIT would hold a ‘Hydrogen City Creation Project Briefing Session’ with local governments across the country on 15 February at the Government Complex Sejong for the 2024 New Hydrogen City Creation Project.

* (Time/Venue) 14:00~16:00, Wed. 15 Feb. 2023 / Conference Room of MOLIT, Sejong City




The Hydrogen City Creation Project has been drawing attention in terms of revitalizing the hydrogen economy that is expected to emerge into overseas market and so forth, by signing a memorandum of understanding between the two countries on the production, distribution, storage and utilization of hydrogen during President YOON Seok-yeol’s state visit to the UAE last January.

It is a project to build urban infrastructure facilities such as hydrogen production facilities, transfer facilities (pipelines, tube trailers, etc.), and utilization facilities (fuel cells, etc.) so that hydrogen energy sources can be used in apartment houses, buildings, and transportation facilities.

Through this, it is expected not only to contribute to the realization of carbon neutrality such as reduction of greenhouse gases, but also to vitalize the local economy through revitalization of hydrogen-related industries including fuel cells and creating jobs.

The MOLIT selected three hydrogen pilot cities (Ulsan, Ansan, Jeonju & Wanju) for the first time in the world in 2019, and it is expected that the hydrogen pilot cities would be resulting full-fledged outcomes as they are gradually completed this year.

< Illustration of Hydrogen City Project to be completed this year >

		
<p>Hydrogen fuel cell in Yul-dong public housing, Ulsan (Scheduled to be completed in June 2023)</p>	<p>Hydrogen pipeline, Ulsan (Scheduled to be completed in August 2023)</p>	<p>Hydrogen supply base, Jeonju & Wanju (Scheduled to be completed in June 2023)</p>

Unlike the hydrogen pilot city selected in 2019 (selected through general accounting and public offering), the new hydrogen city creation project in 2024 is a Special Account for Balanced National Development in which the government plan is finalized after a project application from a local government is reviewed by the central government. As the TopDown Budgeting System by each local government, it is carried out according to the budget planning schedule of the Special Accounting for Balanced National Development.

When each local government establishes a project plan and submits a budget application (by April), the MOLIT reviews the appropriateness of each project, then the Ministry of Strategy and Finance will be deciding whether or not to reflect the government's plan through reviewing the budget (by August) before it is confirmed by the National Assembly at the end of the year.

A total of KRW 40 billion (KRW 20 billion from the national budget, KRW 20 billion won from the local budget) will be invested for the New Hydrogen City Creation Project in 2024, including the hydrogen pilot cities (3 locations) selected in 2019.

Starting this year, six local governments (Pyeongtaek, Namyangju, Dangjin, Boryeong, Gwangyang, and Pohang) will launch new hydrogen city projects, and plan to start full-scale construction next year.

Meanwhile, the concept of a hydrogen city, details of the hydrogen city infrastructure construction project, support scale and period, and future project promotion schedule will be introduced at this briefing session,.

The Hydrogen City Creation Project is usually divided into residential and transportation sectors. The residential sector is a project to build urban infrastructure for supplying hydrogen energy in apartment houses (public offices, etc.), and the transportation sector is to build urban infrastructure to support hydrogen mobility such as hydrogen cars and hydrogen buses.

In particular, the hydrogen city project promoted this year was combined with novel ideas based on local conditions, such as building the urban infrastructure linked to biomass-based green hydrogen production facilities.

Depending on the conditions of each local government, the types of projects have been diversified so that it can also be promoted as a small-scale as needed (Total project cost of KRW 10 billion or 20 billion, etc.) among hydrogen city infrastructure.

KIM Ki-hoon, Director of Urban Vitality Division in MOLIT, who was attending the briefing session, said, “Through the creation of hydrogen cities, it not only contributes to the realization of carbon neutrality to prepare for the climate crisis, but also fosters the local hydrogen industry and creates jobs by using it as a new regional growth engine, so we hope that each local government would take active interests in the project.”