

JERA and Lotte: ammonia fuel value chain between Japan and Korea

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Under the agreement, JERA and LFC will jointly collaborate to accelerate the development of a robust and resilient value chain of low carbon fuel through the following approaches:

- »Standardization of commercial frameworks
- »Optimization of each party's ammonia portfolio by enhancing operational flexibility through joint studies
- »Joint efforts to discuss with both governments to establish and expand low carbon fuel value chain

To guide this effort, the government of Japan and the Republic of Korea (ROK) have launched "Japan-ROK Hydrogen and Its Derivatives such as Ammonia Cooperation Dialogue", a programme designed to enhance collaboration across several key areas.

Hiroo Inoue, Director-General, Energy Efficiency and Renewable Energy Department of Agency for Natural Resources and Energy said, "As Japan and Korea strengthen their cooperation to achieve ensure energy security and building resilient supply chains for clean hydrogen and its derivatives, we encourage this agreement of JERA and LFC and look forward to further progress in these endeavors."

Chan Ki Park, Director-General, Hydrogen Economy Policy Bureau, Ministry of Trade, Industry and Energy said, "With similar industrial and energy consumption structures, various collaboration between Korea and Japan is in progress to lead

the clean hydrogen market. To expand the global clean hydrogen supply chain and vitalize the hydrogen economy, cooperation between the two countries in private sectors is significant and this agreement will be the milestone to realize the cooperation.â•

Ryosuke Tsugaru, Chief Low Carbon Fuel Officer of JERA said, " We are pleased to have established a cooperative framework with LFC, the leading company in chemical industry in ROK. JERA strives for positioning us at the forefront of the energy transition in Asia through accelerating our decarbonization efforts, not only within the power sector but also across other sectors, including Hard-to-Abate industries.â•

Kim Yong-seok, CEO of LFC said, " As JERA is playing a leading role in establishing a clean energy supply chain in Japan, we find this collaboration with JERA very meaningful. Lotte Fine Chemical has been building a competitive clean ammonia supply chain and making proactive investment based on its over half-century experience and the largest infrastructure of ammonia distribution in Asia. Through this agreement with JERA, we will take the next step to contribute ourselves to enhance the national competitiveness of Korea"

JERA will continue to take the lead in strengthening and diversifying low carbon fuel value chains regionally, nationally and internationally, and contribute to global decarbonization and to solving energy issues, particularly in Asia.