ロシアとの間で案件発掘を活発化させることを視野に 情報交換を活発化する必要がある。

京都メカニズムの推進は、京都議定書の約束義務履行 や地球温暖化防止に貢献すると共に、新規ビジネス発 掘のチャンスであり、持続可能な発展に寄与すること を踏まえ、ある種の環境協力機構を設立し、環境協力 を推進するべきである。 うな行政の透明度、投資手続きの簡素化、統一的な基準、 公平な競争条件などを高めることに留意すべきである。さ らに相互の投資を活発化させるためには、政治関係の安定、 互いに相手のことを思う気配り、利益追及のみならず環境 保護も重要な前提として考える。

# 分科会C-2 FTA

## 分科会C-1 外資誘致

分科会に出席した各国・地域の関係者は、外国資本、外 国企業の誘致、すなわち対内直接投資の増加が、それぞれ の国、地域の経済発展、地域振興策の実現に必要不可欠な ものであると考える。特に今後一層の経済成長が予想され る中国はじめ北東アジア諸国間の直接投資並びに誘致政策 は新しいステージに来ていると考える。従って関係各国・ 地域の政府機関や地方自治体などのステークホルダー(利 害関係者)は、国際的な企業誘致のための投資環境整備を 早急に取り組み、新しいモデルを構築するために努力する 必要がある。

投資環境の整備には現地住民の生活向上を基本に置き、 インフラ等のハード面、法整備、契約遵守などのソフト面、 さらに人材の育成を目指すことが含まれる。また、投資の 主体は各国の企業であるので、その企業が魅力を感じるよ 当分科会における報告では、いずれも北東アジアにおけるFTAの経済効果を肯定的に評価しており、制度としてのFTA交渉の遅れを課題として指摘している。こうした 議論に基づき、以下の政策提言を行う。

- 北東アジア諸国は、急速に進展する東アジア経済統合 の中で、北東アジアの果たすべき役割について、共通 の認識を持つ必要がある。
- 日中韓三国は、日中韓FTAについて三カ国シンクタンクの共同研究の成果を踏まえ、速やかに政府レベルの共同研究を開始すべきである。
- また日中韓投資協定については、2007年1月の三カ国 首脳会談において交渉開始が合意されたが、FTAを 促進する意味からも早急の締結が望ましい。
- 日韓両国は日韓FTA交渉を再開し、早急にFTAの締 結を進めるべきである。

# 2007 Northeast Asia International Conference for Economic Development in Niigata

## Policy Proposals

Toki Messe, City of Niigata, 7<sup>th</sup> February 2007 Northeast Asia International Conference for Economic Development Executive Committee

#### The Vision for the Economic Development of Northeast Asia

Jointly compiled by five of the countries of Northeast Asia, we have put together the report titled "The Vision for the Economic Development of Northeast Asia -The Philosophy and Challenges of Cooperation in Development", with the aim of informing learned persons both within and without the region about the vision for initiatives aiming at the cooperation of countries towards the development of Northeast Asia and the current status of and future prospects of the seven key areas of cooperation transport, energy, the environment, trade investment, the development of the Tumen River Area, tourism, and the finance of development. From within that we arrived at the following policy proposals. (1) Need for multilateral coordination by central governments

Until now, we have considered the potential for cooperation in the development of Northeast Asia by means of a Track Two approach. However, given the differences between the policies, systems and organizations of the five countries and regions as they now stand, these differences will act as constraints and it will be difficult to put these proposals into practice. Efforts have been made bilaterally to facilitate border trade, investment agreements, and economic cooperation projects, but they need to be enhanced so as to bring them together and develop them into region-wide cooperation, and to make efforts towards a Northeast Asian Community. In particular, trilateral initiatives involving Japan, China and the ROK are desirable. The aforementioned summit involving Japan, China and the ROK affirmed the strengthening of trilateral cooperation in general, but at the stage of specifying concrete initiatives in the future, we should take up Northeast Asian development as a priority field.

Some policies that primarily focus on this region are being formulated, such as China's Northeastern Development Policy and the ROK's Northeast Asia Business Hub Concept, but more consideration should be given to such questions as how these respond to the policies of partner countries and how they can incorporate cooperation. After the central governments of the five countries and regions concerned have mutually affirmed the necessity of cooperation in the development of Northeast Asia, they should join forces in building a cooperative framework, in order to give rise to a multiplier effect. Even the Tumen River Area Development Program - the sole exception to the lack of cooperation in the sub-region has failed to secure the participation of Japan, and has consequently not generated any real effects.

Moreover, it would be desirable for the central governments of each country to assign certain discretionary powers to the regional governments that are directly involved in Northeast Asian development, in order to facilitate cooperative initiatives that meet local needs.

### (2) What are the priority fields?

The cooperative fields on which this report focuses are all equally important in terms of their degree of necessity vis-à-vis Northeast Asian development. However, it would be useful for central governments to classify the fields of cooperation into such categories as fields in which largescale financial support will be essential, fields in which success will become the foundation for the implementation of cooperation in other fields, and fields that must wait until current political and security tensions and constraints have been alleviated. Central governments should then clarify what can be done at the private sector level, what can be tackled by regional governments and what requires central government initiatives. With regard to the seven fields of cooperation dealt with in this report, the following classification may be possible.

In all of the fields, the basic direction of development cooperation must be agreed by the central governments, but the actual implementation of development cooperation can be carried out by private sector companies and regional governments, as is witnessed in trade and investment, and tourism. It will be essential for central governments to become deeply involved in large-scale transport and energy projects, the development finance that will support these, and the organizations implementing them. With regard to the environment and fields not discussed in this report, such as human resource development, medical care, science and technology, and the spread of IT, which have a high degree of public benefit and for which strong initiatives need to be taken by central governments, the involvement of international organizations and NGOs that represent the interests of regions as a whole would be desirable.

(3) Efforts to alleviate political and security constraints are vital

Differences remain between the five countries and regions, in terms of their awareness of political and security obstacles, and tension continues. It is vital that the common benefits of economic cooperation are brought to the fore and that ceaseless efforts are made to alleviate tension.

A solution to the live issues of the denuclearization of the DPRK and the DPRK's kidnappings of Japanese nationals will be vital to Japan's active participation in transport projects and the development of the Tumen River Area, in which the DPRK is directly involved. There is a shared awareness of the necessity of the DPRK's assimilation with neighboring countries and regions, but the direction of domestic reforms and each country's approach to these differ, resulting in slow progress in negotiations. At present, the denuclearization of the DPRK and the resolution of the kidnappings issue are being taken up, and it would be desirable if the issue of the DPRK's incorporation into cooperation in the development of Northeast Asia were subsequently to surface.

(4) Strict adherence to the principle of open regional cooperation

North America and Europe both adjoin Northeast Asia and there are people in those regions with a profound interest in the economic development of the sub-region. We would like to appeal to these people. Participation by central governments is limited to five or six countries, but a structure in which private sector companies are, in principle, free to participate in development projects is likely to be created. This is because contributions to the development of Northeast Asia on the part of Western countries will be warmly welcomed. Northeast Asian cooperation must be conducted on the basis of an open system.

#### Session A-1 Transport

Within the "Vision for the Northeast Asia Transport Corridors" is the "Tumen River Transport Corridor", and the smooth connection of the latter to maritime transport would be extremely effective for the stability and development of Northeast Asia, and its earliest possible realization is sought.

The project for the establishment of a new Northeast Asia ferry route, which is currently the subject of coordination talks by China, Japan, the ROK and Russia, is considered a great contribution to the solution of this issue. For the realization of the sea route, interested parties from four countries, overcoming differences in custom, systems and language, assumed that working together was possible, and gave rise to a large number of multilateral cooperation models aimed towards the stability and development of the region, and these models ought henceforth to be undertaken by the countries of Northeast Asia.

The project itself is to be operated in the privatesector, but to ensure the realization of the sea route, for the time being at least, the active cooperation of the related public organizations from the four countries is sought.

#### Session A-2 Tourism

Although the promotion of tourism within the region is considered extremely effective for stability and prosperity in Northeast Asia, its current state is far from that situation. For the promotion of tourism, the deepening of exchanges and links by those involved in tourism in Northeast Asia and the building of conditions for mutual cooperation are needed, and along with this the importance of tourism education should be emphasized.

The three previous sessions of the International Forum on Northeast Asian Tourism (IFNAT), were in extremely close agreement with this line, and it is thought that the setting out of a joint strategy as well as a tourism programme, utilizing IFNAT, will contribute to the realization of the development of tourism in Northeast Asia.

At the next meeting of IFNAT, substantial discussion will take place to this end, and the construction of a concrete policy is expected.

Session B-1 Energy

Northeast Asia includes Russia, the giant energyproducer, and China with its rapidly increasing demand, and the form of the establishment of energy security, with which we are challenged in the region, gives us a significant pointer to the solution of the energy problem in the global dimension. With that in mind, it is necessary that the countries of the region acknowledge the importance of a simultaneous promotion of dialogue both among consumer nations and between consumer and producer nations, and the shouldering of shared responsibility towards the world via the discovery and implementation of tangible multilateral projects.

Based on the "Global Energy Security" declaration at the 2006 G8 Summit and the "Cebu Declaration on East Asian Energy Security" in January 2007, the realization of a fair and transparent market in the Northeast Asian region is linked to the reducing of the risks accompanying development and supply. In this context, the principles of the Energy Charter Treaty should be supported. To that end, not only a continuation of the debate on a framework for regional cooperation, initially by intergovernmental negotiation, but also the promotion of a "public-private partnership" through a "second-track" dialogue is important.

For the energy strategies of the countries in the region, many of the following are shared in common: promotion of energy conservation as the top priority, the strengthening of emergency-management measures including stockpiling, the diversification of energy sources, and the development, use and spread of environmentally-friendly energy technologies such as renewable energy. We agree that the time is ripe for cooperation. To avoid missing the window of opportunity, the planning of policy coordination at the government-level is called for. For this purpose, we must make joint efforts to find concrete and immediate

projects as examples for promoting cooperation. We should aim at solving environmental catastrophes having energy as their cause and energy poverty as global issues beyond mere national or regional problems. We must achieve sustainable development through energy cooperation.

### Session B-2 The Environment

In Northeast Asia, momentum is continuing to gather from the common interest in environmental protection and energy conservation, and the finding of CDM (Clean Development Mechanism) projects has been intensifying. Further acceleration in promoting the Kyoto Mechanism is expected to achieve sustainable development, by making the best of energy-efficiency projects, including small-scale projects which will boost the finding of renewable and energyconservation projects.

Considering the issue of ERUs (emission reduction units), from 2008 on, is to commence finally, regarding JI (Joint Implementation), it is necessary to intensify information exchange in order to facilitate the intensification of finding projects with Russia.

Given that the promotion of the Kyoto Mechanism leads to carrying out the obligations of parties to the Kyoto Protocol and bringing in countermeasures against global warming as well as providing opportunities for finding new business and for sustainable development, it is recommended that we should establish some kind of region-oriented organization towards environmental cooperation.

### Session C-1 Attraction of Foreign Capital

The participants from the countries concerned, present at this session, consider the attraction of foreign capital and companies, i.e. the increase of inward direct investment, to be absolutely essential to the realization of each country's economic development and regional development policies. We consider that, particularly for China, with its economic growth forecast to expand further, the direct investment between the countries of Northeast Asia as well as attraction policies have entered a new stage. Consequently for the 'stakeholders' (the interested parties) of the various countries - government organs and local authorities in the region - it is necessary to tackle quickly the improvement of the investment environment for the attraction of international businesses and to make joint efforts to build a new model.

For the improvement of the investment environment, the betterment of the lives of local people is fundamental, and includes the aims of enhancing infrastructure (the 'hardware'), the development of legislation and compliance to contracts (the 'software'), and also of fostering human resources. Additionally, as the main agents of investment are the countries' businesses, attention should be paid to raising administrative transparency, the simplification of formalities for investment, unified standards and conditions for fair competition, which will attract those companies. In order to further intensify mutual investment, we consider that not only political stability, mutual consideration and the pursuit of profit, but also environmental protection should be a major precondition.

## Session C-2 FTAs

In the reports for this session, the economic effectiveness of all the FTAs in Northeast Asia has received positive evaluation, and the delay in the FTA-negotiation system has been highlighted as a problem. Based on this discussion, the following policy proposals were arrived at.

For the countries of Northeast Asia, it is necessary to possess a common understanding concerning the role

to be played by Northeast Asia in the rapid progression of East Asian economic integration.

For the three countries of Japan, China and the ROK, joint research at the government level should be started immediately on a Japan-China-ROK FTA, taking into account the results prepared by the think-tanks of the three countries.

Additionally, concerning investment agreements between Japan, China and the ROK, although the commencing of negotiations was agreed at the tripartite summit meeting of January 2007, the speedy conclusion of those agreements is desirable from the FTA viewpoint.

Both Japan and the ROK should reopen negotiations on a Japan-ROK FTA, and proceed towards the speedy conclusion of that FTA.