

The Establishment of the NEADB: Report on the June 2001 Roundtable Meeting in Osaka

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The Roundtable Meeting on the Establishment of the Northeast Asian Development Bank (NEADB) was held in Osaka, Japan, 4 June 2001. The Northeast Asia Economic Forum (NEAEF) in cooperation with the Osaka Municipal Government and the Northeast Asia Project Development Center (NBC) organized this meeting. The objectives of the Roundtable Meeting were threefold:

- to invite Japan's perspective on the proposal for the NEADB
- to create a consensus among participants on the need for and feasibility of the NEADB
- to explore strategies to mobilize support for the establishment of the NEADB from the governments and international financing institutions.

Approximately 30 participants attended the meeting. They included national and regional policy-makers, high-level officials, policy advisers, and finance experts from Japan, South Korea, and the United States. Other public officials, researchers, and representatives from NGOs joined the meeting as observers. Participants attended in their own private capacity.

Two background papers were distributed: "A Northeast Asian Development Bank?" by Lee-Jay Cho and Stanley Katz, and "Why Is a Northeast Asian Development Bank Needed?" by Duck-Woo Nam. Taro Nakayama, Member of the Japanese Diet, and Kazuhisa Marukawa of the Japan Bank for International Cooperation (JBIC), and other participants contributed perspectives from Japan on the NEADB proposal, raised questions regarding the proposal and other proposed options for financing Northeast Asian infrastructure, and discussed technical issues. As a product of the discussion, the Osaka Confirmation was unanimously adopted.

The Osaka Confirmation

The Roundtable Meeting on the Establishment of the Northeast Asian Development Bank was held in Osaka, Japan, on 4 June 2001. It was held as a closed and unofficial meeting, and was organized by the Northeast Asia Economic Forum. Approximately 30 participants, including financial experts and government officials from Japan, the Republic of Korea, and the US, attended the meeting in their private capacity.

The meeting focused on the all-important financial issues and mobilization of capital for infrastructure development. Economic cooperation in sectors such as transportation, energy, and environment will enhance stability and prosperity among the Northeast Asian countries. In this context, the creation of a Northeast Asian Development Bank was strongly supported. The Bank would principally be for infrastructure development, without imposing preconditions regarding political, social, and economic structure. The Bank would certainly be located in the Northeast Asian region. The meeting recognized that institutional aspects of the Bank would be further explored by the Forum.

The meeting confirmed the necessity to reassess the capital demand for development of Northeast Asian countries, reflecting the changes after the recent Asian economic crisis. The meeting recognized that reviews on financial affairs would be implemented.

The meeting confirmed that efforts should be exercised so that the EU will cooperate for the Bank.

The meeting expressed its heartfelt gratitude to the City of Osaka for their hospitality and efficient organization of the meeting.