

Beijing Statement

Northeast Asia Economic Forum

The Northeast Asia Economic Forum (NEAEF), with support from the Freeman Foundation, the Korea Institute for International Economic Policy (KIEP), the University of Hawaii College of Social Sciences and other institutions, convened for the 2015 Special Meeting in conjunction with the Tenth NEAEF Young Leaders Program in Beijing, China from the 26th to the 28th of August, 2015. Representatives from South Korea, the People's Republic of China, Japan, Mongolia, Russia, the United States, and the European Union assembled to discuss and promote economic cooperation and integration among Northeast Asian countries and their global partners. The event was held at the Beijing Institute of Technology in Beijing, China.

The NEAEF Special Meeting panels focused on energy, financial cooperation, and building a Northeast Asia Economic Community. This year's Forum built upon the 23 year legacy of an open dialogue among member countries toward regional integration, cooperation and peace building in the region. The meeting advanced NEAEF's mission by targeting key issues and developing plans to increase regional cooperation and economic integration in Northeast Asia.

The Special Meeting opened with introductory comments from Dr. Lee-Jay Cho, Chairman of the

NEAEF, followed by welcoming remarks from Shi Dinghuan, President of the China Renewable Energy Society. Denise Konan, Dean of the College of Social Sciences of the University of Hawaii at Manoa, and Steve Cowper, former Governor of Alaska, also provided key introductory remarks to open the meeting.

The morning session focused on renewable energy and the prospects of a low carbon future, beginning with introductory statements regarding China's recent developments in clean energy and an emphasis on clean energy collaboration between the nations of Northeast Asia. The presentations considered the current status of renewable energy developments towards a low carbon society, island energy resources and Hawaii's clean energy transformation. The distinguished speakers believed the essential questions to address were energy conservation, the reduction of GHG emissions, energy security and the costs associated with renewable energy consumption and production. Many of these discussions focused on photovoltaics (PV), their varying regional prices, the instability they cause within the power grid and the role of the government to subsidize PV installation. They also encouraged the promotion of innovation in renewable technology such as power grids, PV, wind power and other affordable renewable energy resources.

The presenters agreed that the recent climate change agreements between China and United States, the

world's largest economies and carbon emitters, should set an important precedent for climate change and clean energy deals in the future. They also agreed that Hawaii would be a crucial area to demonstrate a high-level renewable energy society, and there are significant areas for Hawaii to collaborate with Northeast Asian countries in areas such as energy storage, transportation, PV, hydropower and big data. The final remarks pointed to the progression of NEAEF talks on renewable energy and a low carbon future where participants believed that the forum should not just discuss policies, but should also consider tangible projects and practical products. They expressed their anticipation for next year's forum and hoped that the private sector would be represented in order to open these ideas to the market.

The afternoon session on financial cooperation in Northeast Asia focused primarily on the need of deeper financial cooperation through economic incentives and cooperation on sub-regional levels. Integration of markets and connecting regional financial and economic giants such as Beijing-Seoul-Tokyo is a crucial component of the Northeast Asia community. The need for collaboration has become ever more pronounced under the newly enacted initiatives such as the Asian Infrastructure Investment Bank and One Belt One Road (OBOR) that afford a strong backbone to the Asia region, but are mainly geared toward widening as opposed to deepening ties in Northeast Asia. All

speakers concurred on the call for an establishment of a multilateral FTA and the need to continue to push forward with a Northeast Asian Infrastructure Fund as a prelude to Northeast Asian Development Bank.

The second day began with an institutional framework with an emphasis on FTAs between China-Japan-Korea and China-Korea. All speakers concurred that a deeper emphasis on breaking trade barriers will allow the sub-regions to integrate more effectively and promote the economic growth of the Northeast Asia community. The speakers believed OBOR was one path towards establishment of infrastructure in currently underdeveloped regions. OBOR will allow for an influx of much needed economic growth, but should serve as a floor, rather than a ceiling, for Northeast Asian integration. The speakers stressed the importance of encompassing logistics, urban development and linking new markets with China's economic production. Providing regional public goods on a mutually beneficial basis is important in China's future FTA policies and economic cooperation.

The speakers discussed the important role of energy in regional integration. Joint efforts in energy production are an integral part of effective and prosperous regional development. The importance of energy efficiency, natural gas, oil, coal and nuclear energy in climate change was emphasized. Russia-Mongolia-China trilateral cooperation has already brought positive

results. Agriculture, logistics, food production, construction material, and petrochemicals as well as education and tourism are areas that should be taken into consideration when focusing on sub-regional development.

The sessions discussed a comparative perspective of the European Union for a Northeast Asian Economic Community. Five critical lessons included the need for time, a step-by-step approach, deepening rather than broadening ties, and the whole being greater than the sum of the parts. Additionally, the speakers agreed on the need for greater economic cooperation to enhance the economies of underdeveloped regions within countries and among countries. The session emphasized the importance of the natural gas trade within Northeast Asia, along with sustainable and safe nuclear energy projects. The speakers concluded with a discussion about the active participation of the DPRK with an emphasis on the importance of beneficially integrating it into the future Northeast Asian Economic Community.

The Northeast Asia Economic Forum offers its sincere appreciation to the host institution, the China Asia Pacific Institute, which sponsored the Special Meeting. The Forum is grateful to the Freeman Foundation, KIEP, the University of Hawaii College of Social Sciences, Nankai University, Tianjin Municipal Government and Beijing Institute of Technology for their consistent

support and cooperation. Special thanks to the SK Foundation China for their contribution. Thanks also to Beijing Film Academy and TRACK2ASIA.

The NEAEF would like to express the deepest gratitude to all participants in the 2015 Special Meeting and looks forward to another successful year of progress toward establishing and promoting its mission.