

2005-2006 Progress Report of the Trilateral Cooperation among the People's Republic of China, Japan and the Republic of Korea

**Adopted by the Three-Party Committee
on 12 January, 2007 in Cebu, the Philippines**

Pursuant to the Joint Declaration on the Promotion of Tripartite Cooperation among the People's Republic of China, Japan and the Republic of Korea adopted at the Fifth Summit Meeting among the People's Republic of China, Japan and the Republic of Korea (ROK) in 2003, the Three-Party Committee headed by the three foreign ministers is tasked to submit a progress report on trilateral cooperation to the annual summit meeting.

The Three-Party Committee submitted the first progress report to the sixth summit meeting in November 2004. This is the second report, compiled by the Three-Party Committee with the support of relevant ministries and covering the progress made in various areas since the sixth summit meeting in 2004.

1. Cooperation in Economy

(WTO DDA negotiations)

The fifth and sixth Annual Economic Directors-General's Consultation meetings were held respectively in Beijing in November 2005, and in Seoul in November 2006. At the meetings, they explored ways on how to enhance cooperation with each other in order to achieve substantial progress in the DDA negotiations. In addition, the three countries contributed to adopting the DDA stand-alone statements at the APEC Economic Leaders' Meeting in Busan in 2005 and in Hanoi in 2006.

(FTA)

In 2005, the Development Research Center of the State Council of the P. R. China, the National Institute for Research Advancement of Japan (NIRA) and the Korean Institute for International Economic Policy (KIEP) continued the sector-oriented joint study on the effect of the trilateral FTA with the theme of "towards a China-Japan-Korea FTA: visions and tasks ". The study prioritized the effect on fisheries, textile and iron and steel industries. The overall effect on tertiary industry was also analyzed.

In 2006, the study was conducted with the same theme, focusing on issues such as trade in service, rules of origin and dealing with sensitive sectors. Representatives from the China-Japan-Korea Business Forum were invited to participate in the working-level meetings. The joint study group will submit a joint research report and common policy recommendations to the seventh summit meeting.

(Investment and Improvement of Business Environment)

The three parties have conducted six rounds of consultations in the past two years and reached consensus on the scope and modality of the trilateral investment agreement. The issue of the improvement of business environment was also discussed.

In October 2005, the Fourth China-Japan-Korea Business Forum was held in Korea with the adoption of a joint statement, which stressed the need to improve the business environment of the three countries and to speed up the integration of the three economies.

In October 2006, the Fifth China-Japan-Korea Business Forum was held in China. The three sides shared the view that the forum should enhance its capacity of communicating with and making proposals to the governments, and encourage relevant authorities to expand cooperation in areas of tourism, environmental protection and energy conservation, etc.

(Logistics)

The three countries made concerted efforts and published the China-Japan-Korea Joint Report on Distribution and Logistics in May 2006, which promoted the trilateral cooperation in this field.

(Pan-Yellow-Sea Economic and Technological Cooperation)

Started in 2001, the China-Japan-Korea Pan-Yellow-Sea Economic and Technological Cooperation Conference has evolved into a beneficial platform for local governments of the three countries with the participation of governments, NGOs, enterprises and universities. The conferences promoted cooperation among local governments of the three countries. In 2005 and 2006, Korea and China respectively hosted the fifth and sixth conferences, both of which were very fruitful. Energy conservation and environmental protection have become key cooperation areas.

(Customs)

In September 2005, the customs authorities of the three countries had the first working-level consultation, which discussed the convening of the first trilateral meeting among the heads of the three customs authorities. The First Tripartite (China-Japan-Korea) Customs Heads' Meeting is expected to take place in the first half of 2007.

In order to further enhance the cooperation on bilateral basis, the customs mutual assistance agreement (CMAA) has been considered as a useful tool. In addition to the Korea-China CMAA already in place, Japan-Korea CMAA was signed in December 2004, and Japan-China CMAA was signed in April 2006.

(Transportation)

In September 2006, Korea hosted the First China-Japan-Korea Ministerial Conference on Maritime Transport and Logistics. With the adoption of the Joint Statement of the China-Japan-Korea Ministerial Conference on Maritime Transport and Logistics and two attachments (the Framework of the China-Japan-Korea Ministerial Conference on Maritime Transport and Logistics and the Plan of Action for the China-Japan-Korea Ministerial Conference on Maritime Transport and Logistics), the conference decided to hold a meeting approximately once a year and has developed into an intergovernmental cooperative channel, to promote the creation of a secure, efficient, cost-effective and seamless logistics system in Northeast Asia.

(Quality Supervision, Inspection and Quarantine)

The first bilateral meeting of the China-Korea consultation mechanism on quality supervision, inspection and quarantine was held in China in January 2006. The establishment of China-Japan consultation mechanism is still under discussion. Based on the accomplished work, the three sides are discussing the practicability of a trilateral cooperation mechanism.

(Protection of Intellectual Property Rights)

Korea and China respectively held the Fifth and Sixth Trilateral Meeting among the Commissioners of the State Intellectual Property Office of the P. R. China (SIPO), the Japan Patent Office (JPO) and the Korean Intellectual Property Office (KIPO) in 2005 and 2006. The three sides exchanged views on future cooperation and discussed issues such as drafting a roadmap for the trilateral cooperation, holding joint symposiums on the service for small and medium enterprises (SMEs) and exchanging statistical data.

Within the framework of the commissioners' meeting, the Joint Experts' Group for Automation (JEGA) was started in 2003. Having convened four annual meetings, JEGA mainly discussed issues such as the establishment of a trilateral website, priority documents exchange and examination information exchange.

(ICT Industry)

The trilateral cooperation in ICT industry has evolved into a comprehensive mechanism, which consists of the ministers' meeting and the working group meetings with the participation of the government, industrial sectors and research institutes.

The Fourth China-Japan-Korea ICT Ministers' Meeting was held in China in March 2006. The meeting approved the Terms of Reference of China-Japan-Korea ICT Ministers' Meeting/Working Groups (Forum, Liaison System), which further defined the relations between the ministers' meeting and various working groups and stressed the need to promote the trilateral cooperation from information exchange to a program-driven modality. The three parties also signed the Fourth China-Japan-Korea ICT Ministers' Meeting Report, encouraging the three countries to implement six priority projects, namely ICT human resource development program for ASEAN countries, strengthening network & information security information-sharing mechanism and practice, exchanges and cooperation on RFID/Sensor

network technology and application, International Internet Connectivity (IIC) tariff settlement model study, cooperation on open source software, and 4G key technology standardization study.

Meanwhile, the working groups within the framework of the ministers' meeting maintained regular effective exchange and contact through meetings and other approaches.

(Environmental Protection)

In December 2004, the Sixth Tripartite Environment Ministers Meeting (TEMM) among China, Japan and Korea was held in Tokyo. The ministers signed and adopted a joint communiqué, agreeing to carry out cooperation in the fields of circular economy, eco-labeling, etc. China proposed to convene the Tripartite Symposium on Circular Economy. Japan suggested the establishment of the Tripartite Joint Working Group. The ministerial meeting on dust and sandstorm was held with the participation of environment ministers from China, Japan, Korea and Mongolia and representatives from relevant international organizations.

In May 2005, China held the Inaugural Meeting of the Tripartite Joint Working Group in Beijing, followed by the group's first meeting in Korea in July. In September, the Tripartite Symposium on Circular Economy was held in Beijing. The participants exchanged views on circular economy among other issues.

In October 2005, the Seventh TEMM was held in Korea. The ministers agreed to take turns to host seminars on sound material-cycle society and/or circular economy or 3R (Reduce, Reuse, Recycle) in the next three years. They also entrusted the Working Group to draft future cooperation plans. The ministers also welcomed the launch of the New Asia-Pacific Partnership on Clean Development and Climate, which is consistent with and contributes to the three countries' efforts under the UNFCCC, and will complement but not replace the Kyoto Protocol.

The eighth TEMM was held in Beijing in December 2006. The Ministers recognized the role TEMM played as an important constituent of the trilateral summit meeting among China, Japan and Korea and reached consensus that TEMM was of vital importance in promoting regional environmental cooperation and achieving sustainable development in Northeast Asia. They agreed that TEMM should play more important roles in the future by tackling environmental issues such as Dust and Sandstorm (DSS), marine litter and illegal trans-boundary movement of toxic and hazardous waste.

(Disaster Prevention and Management)

In October 2005, Korea held the Second Tripartite Meeting on Earthquake Disaster Mitigation among China Earthquake Administration, Japan Meteorological Agency and Korea Meteorological Administration, which discussed issues including exchange of earthquake data, information as well as experts. In November 2006, the third meeting was convened in Beijing, which reaffirmed the necessity of continuation and acceleration of cooperation.

(Energy)

Three rounds of director-level dialogues on energy were respectively held in Seoul in December 2004, in Tokyo in March 2005 and in Beijing in April 2005 with the participation of officials from the three foreign ministries. The directors exchanged views on each other's energy situation and policy and discussed modalities for the foreign ministries to promote trilateral cooperation in the field of energy. As a result, they submitted the Report on Energy Dialogue among the Foreign Ministries of the People's Republic of China, Japan and the Republic of Korea to the third meeting of the Three-Party Committee, which was held in Kyoto, Japan in May 2005.

The three countries cooperate closely under the multilateral frameworks such as the ASEAN+3, Asia Pacific Economic Cooperation (APEC) and International Energy Forum (IEF), and took lead in the discussion towards further enhancing energy security.

(Financial Cooperation)

The trilateral financial cooperation has evolved into a multi-level platform with the Finance Ministers' Meeting as the prime mechanism.

At the Fifth Trilateral Finance Ministers' Meeting in Turkey in May 2005, the ministers agreed to enhance the effectiveness of CMI and to promote its multi-lateralization.

In May 2006, the Sixth Trilateral Finance Ministers Meeting was held in India. The ministers discussed macro- economic situation and exchanged views on CMI multi-lateralization. They recognized the necessity to further study the future of East Asian financial cooperation, and instructed their staff to start related work. They reaffirmed their strong commitment to promote other regional cooperation projects such as the Asian Bond Markets Initiative (ABMI), the ASEAN Plus Three Research Group, etc.. The three parties also recognized the need to

strengthen their roles in achieving global as well as regional sustainable growth and financial market stability, and to improve their representation in international financial institutions.

Finance officials at various levels from the three countries also maintained active exchange and close cooperation.

(Science and Technology)

In August 2006, the Third Directors-General's Meeting on Science and Technology Cooperation was held in Korea. The meeting discussed the convening of a trilateral ministerial meeting and appreciated on-going joint research projects. Thus, Korea is planning to hold the first China-Japan-Korea Ministerial Meeting on Science and Technology in Korea in January 2007.

(Health)

In May 2006, representatives from the health authorities of the three countries signed the Letter of Intent among China-Japan-Korea on Joint Response Against Pandemic Influenza in Geneva. They also agreed to sign a memorandum of understanding on joint response against pandemic influenza as soon as possible with a view to strengthening sectoral cooperation.

(Tourism)

In July 2006, the first Trilateral Tourism Ministers' Meeting was held in Japan with the adoption of the Hokkaido Declaration on the Promotion of China-Japan-Korea Tourism Exchange and Cooperation. The Ministers agreed to increase the number of tourists among the three countries from 12 million in 2005 to 17 million by 2010.

(Fishery Resource Conservation)

The three countries have held 17 researchers' seminars by October 2006 with the issuance of 306 papers. The seminars and papers greatly promoted scientific research and management in the field of aqua culture and fishery resource conservation. The non-government fishery organizations from the three countries have conducted three friendly exchange meetings since December 2004, and the China-Japan-Korea Forum on Fishery Cooperation was held in Busan, Korea in November 2006, all of which have made a significant contribution to reinforcing mutual understanding in a consistent manner.

2. Cultural and People-to-People Exchanges

(Personnel Administration)

The First Meeting of Heads of Personnel Authorities of China, Japan and Korea was held in Korea in January 2005. The three personnel authorities signed the Memorandum of Understanding on Cooperation in Public Personnel Administration. In July 2005, Japan hosted the First Directors-General's Meeting, where the first cooperation plan was decided. The second heads' meeting was held in Japan in May 2006. The heads reviewed the cooperation activities such as joint symposiums, personnel and information exchange, and expressed satisfaction with the progress. They also decided to convene the third heads' meeting in China. In July 2006, China hosted the second DG's meeting, at which a new cooperation plan was decided. The cooperation among the three personnel authorities is gaining momentum.

(People-to-People Exchanges)

With a view to promoting mutual understanding, trust and friendship and exploring opportunities and means of cooperation, the "Future Leaders Forum: Japan-Korea-China" has been held every July in the three countries since 2003. The third forum was held in Beijing, Nagoya, Gifu, Gwangju and Seoul in July 2005 with the participation of representatives from various fields, including politics, business, media, academia and youth organizations. The fourth forum took place in Qingdao, Sendai, Seoul and Jeju Island in July 2006.

In August 2005, the second Northeast Asia (China-Japan-Korea) Youth Forum was held in Korea with the theme of "Exploring Future Plans of Cooperation in Northeast Asia".

(Education)

The First Directors-General's Meeting among the Education Ministries of China, Japan and Korea was convened in Seoul in March 2006. The Directors-General introduced education policies of each country. They also agreed to expand current each bilateral exchange program into a trilateral one and implement it. For details, they decided to continue discussing.

In 2005, Chinese students studying in Japan totaled 80,592, whereas Japanese students studying in China totaled 18,874. Chinese students studying in Korea totaled 13,091, whereas Korean students studying in China totaled 54,079 or 28,408 (Figures provided by China and

Korea respectively). Japanese students studying in Korea totaled 938 (2003 figure provided by Japan), whereas Korean students studying in Japan totaled 15,606 (2005 figure provided by Japan).

(Culture)

In February 2005, the fifth "Asia in Comics in 2005" was held with the participation of Online Comic Distributors and young online comic creators from China, Japan and Korea. They discussed situations of online comics distribution and creators' activities of each country.

The Inaugural and First Meeting of the China-Japan-Korea Cultural Forum was convened in Seoul in December 2005 and the Second Meeting will be held in Beijing in December 2006. The forum promoted mutual understanding and friendship among people of the three countries, especially young people, by conducting diversified people-to-people exchange activities in the fields of culture, sport and youth. Within the framework of the forum, the three parties organized the youth's friendly football matches as well as many other exchange activities among youths of the three countries.

(Sport)

Sport exchanges and cooperation among the three countries flourished in the past two years. A variety of activities such as football, badminton and table tennis were organized with the participation of more than 1000 people.

In 2005 and 2006, Korea and Japan hosted the China-Japan-Korea A3 Soccer Champions Cup successively.

The thirteenth and fourteenth China-Japan-Korea Junior Sports Exchange Meet were held respectively in Japan in 2005, and in Korea in 2006.

(Exchanges between Local Governments)

In September 2005, Korea hosted the Seventh China-Japan-Korea Sister Cities Conference, which discussed the local governments' role in promoting common development in Northeast Asia. In August 2006, the Eighth Conference was held in China with the theme of "Promoting Harmony in Northeast Asia and Achieving Common Development and Prosperity". Playing an active role in promoting understanding and cooperation among the local governments of the

three countries, the Conference has evolved into an important mechanism to strengthen bilateral and trilateral exchange and cooperation.

In November 2006, the Second Meeting of the Economic Promotion Organizations in East Asia was convened in China. The participants exchanged views on enhancing exchanges and cooperation among the cities of the three countries.

3. Asian Regional Cooperation

As important members of East Asia cooperation, China, Japan and Korea well maintained coordination and cooperation within the frameworks such as ASEAN Plus Three and East Asia Summit.

As important measures to strengthen East Asia cooperation, the three countries further improved and developed their relations with ASEAN.

The three countries actively participated in the activities under frameworks such as the Asia Pacific Economic Cooperation (APEC) and the ASEAN Regional Forum (ARF), and thus made contribution to the development of multi-lateralism in Asia.

Since the Six-Party Talks adopted the 9.19 Joint Statement in 2005, the three countries have exerted steadfast efforts toward the full implementation of the 9.19 Joint Statement and the eventual denuclearization of the Korean Peninsula.

Conclusion

In the past two years, the trilateral cooperation made significant progress in various areas, especially in the five priority areas of economy and trade, information, environmental protection, human resources development and culture. The three countries should seize the current new momentum of growth in their relations and take it as an opportunity to further enhance political mutual trust and, based on joint documents such as the Joint Declaration on the Promotion of Tripartite Cooperation among the People's Republic of China, Japan and the Republic of Korea and the Action Strategy on Trilateral Cooperation among the People's Republic of China, Japan and the Republic of Korea, to promote the trilateral cooperation for new achievements and to make due contribution to peace, prosperity and development in East Asia.

/END/

(12 January 2007)