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ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

**REPORT OF  
THE TENTH MEETING OF SENIOR OFFICIALS ON  
ENVIRONMENTAL COOPERATION IN NORTH-EAST ASIA**

**Naha (Okinawa), 26 November 2004**

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## 1. RECOMMENDATIONS AND CONCLUSIONS

1. The Meeting reviewed the Terminal Report for the implementation of the Regional Technical Assistance project on Transboundary Environmental Cooperation in North-East Asia funded by the Asian Development Bank to support the subregional activities for reduction of air pollution from coal-fired power plants. The Meeting noted with satisfaction the success achieved and expertise acquired during the implementation of the activities in this area of NEASPEC cooperation. The Meeting noted with appreciation that other subregions in Asia and the Pacific, i.e. Central Asia, are willing to utilize the training and data monitoring manuals developed under the project and to learn from the experience and knowledge of the NEASPEC air pollution experts' network.
2. The Meeting appreciated the continuous support provided by the Government of Republic of Korea during the project implementation and for maintaining the Regional North-East Asian Training Centre for Pollution Reduction in Coal-Fired power Plants at the Korean Electric Power Research Institute (KEPRI) and the North- East Asian Centre for Environmental Data and Training (NEACEDT) at the National Institute of Environmental Research (NIER). The Meeting appreciated the support provided by the Government of Japan and the Japan Environmental Technology Association (JETA) to the task Force on Air Pollution Emissions and to the capacity building activities.
3. The Meeting expressed the overall support of the NEASPEC member countries for the recommended follow up activities in the area of air pollution by the Subregional Meeting on Action Plan for Improvement of the Particulate Abatement Systems of Coal-Fired Power Plants held from 7 to 8 June 2004 in Beijing, China and by the Terminal Review Meeting of the Regional Technical Assistance project held on 6 July 2004 in Bangkok, Thailand. The meeting noted with appreciation the interest of the Asian Development Bank to support a follow up project proposal.
4. The Meeting has generally endorsed the Project Concept Paper on Mitigation of Transboundary Air Pollution from Coal-Fired Power Plants in North-East Asia formulated during the Subregional Meeting and presented in the ADB format to the 10<sup>th</sup> SOM.
5. The preparation of the proposed Technical Assistance project document will be further coordinated by the Asian Development Bank in consultation with the secretariat and the national partners of the NEASPEC member states.
6. The Meeting has appreciated the efforts of the Nature Conservation Working Group, which has prepared the project proposal for a Framework for Nature Conservation Programme in North-East Asia with support from the Government of Japan and with assistance provided by the secretariat following the recommendations of the 9<sup>th</sup> SOM held in March 2004 in Moscow, the Russian Federation. The Meeting approved the project proposal and the proposed budget in principle so that this project could start as planned. However, the Meeting asked the secretariat to report to the 11<sup>th</sup> SOM on the progress of the implementation of the project and disbursement of the funds. The Meeting recommended that best efforts should be made in implementing the project to economize the project

management cost and information on the management of the project should be reported to the 11<sup>th</sup> SOM. The Meeting recommended that the detailed implementation mechanism and plan are to be developed at the inception meeting of the project.

7. The Meeting underlined the importance of the DSS issue, and acknowledged the efforts of the Asian Development Bank, UNESCAP, UNEP and UNCCD for the implementation of the ADB/GEF project. The Meeting also welcomed the willingness of the participating countries for the development and implementation of the activities recommended in the project.

8. The Meeting appreciated the efforts of the secretariat for the preparation of the 5<sup>th</sup> MCED and the initiatives undertaken to make the success of the NEASPEC more visible in such an important forum. The Meeting welcomed the proposal extended by the Government of the Republic of Korea to invite the Ministers of the NEASPEC member countries to an informal meeting during the 5<sup>th</sup> Ministerial Conference on Environmental and Development to be held from 24 to 29 March 2005 in Seoul, Republic of Korea.

9. The Meeting also underlined the importance of environmentally sustainable economic growth for the North-East Asia subregion and noted with appreciation the paper presented and discussed at the Preparatory Meeting of Experts to the 10<sup>th</sup> Senior Officials Meeting under Agenda Item 6(a): New and emerging issues related to environmentally sustainable economic growth in North-East Asia. The Meeting recommended to the secretariat to develop a detailed paper on new and emerging issues related to environmentally sustainable economic growth in North-East Asia and present it to the 11<sup>th</sup> SOM. The Meeting recommended that the paper could include possible project concept, time frame and activities. The Meeting also recommended that funding for the preparation of the paper could be provided from the approved expenditure for 2005 and 2006.

10. The Meeting welcomed the generous offer of the Government of the Republic of Korea to host the Eleventh Senior Officials Meeting of NEASPEC. The venue and exact dates will be decided in consultations with the secretariat and announced in due course.

## **II PROCEEDINGS OF THE 10<sup>th</sup> SENIOR OFFICIALS MEETING**

### **A. Environment and development policies and issues for the North-East Asian Subregional programme for environmental Cooperation (NEASPEC)**

(Item 4 of the agenda)

11. The representative of China has appreciated the hospitality of the Government of Japan for generously hosting the meeting in this beautiful part of Okinawa and the support of the secretariat to the NEASPEC programme. The representative appreciated the results achieved through under the framework of the NEASPEC programmes in the area of reduction of air pollution from coal-fired plants from the joint subregional project activities and the assistance provided to China under the

framework of the Regional Technical Assistance project for North-East Asia with the financial support from the Asian Development Bank. Additionally, the representative of China underlined the importance to broaden the scope of any follow up activities to larger number of coal-fired power plants in China and to involve in any training activities and meetings participants from the management level of the power plants. The representative of China appreciated the efforts undertaken to further the nature conservation programme, which is initiated through the programme. The representative of China also underlined the importance of the NEASPEC subregion to continue its efforts in promoting sustainable development and environmental protection. Additionally, it was suggested that new clean technologies in energy sector need to be promoted through the NEASPEC framework. In addition the representative of China underlined the importance to work for the environmentally sustainable economic growth in North-East Asia and informed the NEASPEC countries of the recently launched circular economy initiative in China. Additionally, the representative of China shared the vision on the future development of NEASPEC as a programme, which will continue promoting sustainable development in North-East Asia through an action-oriented, pragmatic approach to cooperation and will do more outreach work to the other organizations, regions and international community as a whole.

12. The representative of Japan has underlined the importance to integrate economy and environment as an important issue and shared its positive experience from using various economic mechanisms for supporting environmental performance in Japan, such as the tax incentive, various regulations and legal instruments, the circular material society initiative. The representative of Japan informed the Meeting about the advanced initiative of sound material cycle society known as the 3 R initiative. He stressed the importance of enacting the Kyoto Protocol and possible opportunity to use of CDM as funding mechanism for clean technologies in North-East Asia. Also the representative of Japan expressed the importance to work further towards achieving environmentally sustainable economic growth in North-East Asia. Japan enacted a new law for promoting environment and economy – encourage annual report of the large private enterprises on reporting of their environmental considerations. The representative of Japan has also underscored the importance of the issue of chemicals and biodiversity, and informed about the development of relevant national policies. Additionally, the representative informed about the forthcoming TEMM Meeting and Ministers Meeting on Dust and sandstorms among China, Republic of Korea, Japan and Mongolia to be held in December 2004 and expressed the interest of the Government of Japan to this cooperation mechanism and to the continuation of the subregional projects under the TEMM. Protection of the marine environment is also a high priority for the Government of Japan and the subregional initiatives in this regards are continuously supported. The role of the local government and local communities in environmental protection is undeniable and the positive results from the Association of Local Governments in North-East Asia Region (NEAR) and the Kitakyushu Initiative have achieved tangible results with the active participation of local Governments in Asia and the Pacific region.

13. The representative of Republic of Korea has expressed the gratitude to the NEASPEC member countries for their commitment to the subregional cooperation in the area of environmental protection and achieving sustainable development in North-East Asia. The representative of Republic of Korea has underlined that achieving environmentally sustainable economic growth is of crucial importance issue for the countries in North-East Asia and the NEASPEC needs to explore the opportunities for developing projects and activities to support this direction. The representative of the republic of Korea made a proposal that for the first time an informal NEASPEC Environmental Ministers Meeting could be held during the 5<sup>th</sup> MCED in Seoul, March 2005, expecting that political will from the high level decision-makers will greatly contribute to the sound development of the NEASPEC in the long term. Additionally, the representative of the republic of Korea underscored the importance for the NEASPEC programme to develop tools and mechanisms to export the knowledge and the strengths of the traditional values of the North-East Asia countries to other subregions. The representative of Republic of Korea has urged the NEASPEC member states to consider the opportunity for establishing of a NEASPEC secretariat, which will ensure the sustainability of the programme. The representative of Republic of Korea informed the meeting about the national efforts to improve waste management, development of environmental market tools such as eco-labelling, the existing system of environment impact assessment. The representative of Republic of Korea pointed out at the opportunity for the NEASPEC member countries to take the lead and spearhead the process of integration of environment and economy in Asia and the Pacific region.

14. The representative of the Russian Federation expressed the continuous support of the Russian Government and the Ministry of Natural Resources of the Russian Federation to the increasing efforts of the NEASPEC member countries to further cooperation in the North-East Asia subregion. The representative of the Russian Federation informed the Meeting of the ratification of the Kyoto Protocol and the sincere belief that this will open new opportunities for cooperation in the area of Climate Change. Additionally, the Russian Federation is undergoing through the process of ratification of the Stockholm convention as well. It was also noted that it is necessary to undertake measures directed to absorption of CO<sub>2</sub> and other greenhouse gases by the natural ecosystems such as forests, plants as well as water bodies. The representative proposed to consider the opportunity to focus on preserving of natural resources and to develop clean technologies in the North-East Asia. Regarding the new and emerging issues related to environmentally sustainable development in North-East Asia, the representative of the Russian Federation underlined the importance of development of energy efficient and saving technologies, alternative and renewable energy technologies in addition to development of legislative and tax instruments, such as ecological labelling and ecological certification of products and production, ecological insurance. The role and importance of development of partnerships in the programmes of NEASPEC, as well as between NEASPEC and other subregional programmes was also underscored. The representative of the Russian Federation also expressed the view point that the opportunity for NEASPEC to develop cooperation activities with the Barrens Euro-Arctic Cooperation

Council which is a similar subregional cooperation mechanism as the NEASPEC in which the Russian Federation is an active member. This subregional programme has acquired certain expertise in clean technologies, in harmonization of emission standards, has developed clean production centres and has developed cooperation activities in nature conservation. The Russian Federation is willing to facilitate the exchange of experience and knowledge between the NEASPEC and Barrens Euro-Arctic Council and Arctic Council Cooperation. It was also emphasized that bilateral cooperation in the field of environmental protection and sustainable use of natural resources between the NEASPEC countries is a very important element to accelerate subregional and regional cooperation, and the NEASPEC member countries were encouraged to activate and deepen such activities.

15. The representative of Mongolia expressed the kind appreciation and the continuous support provided to the country through the air pollution project and underlined its continuous support to the activities in this programme area, as well as the necessity for Mongolia to receive further assistance especially for the application of new clean technologies of energy production and for CO<sub>2</sub> emissions inventory. Additionally, the representative of Mongolia suggested to the secretariat to explore the opportunity to apply Clean Development Mechanism (CDM) in the subregion as a funding mechanism for clean technologies development. The representative of Mongolia expressed the satisfaction of Mongolia of the fact that the NEASPEC is launching the cooperation project in the area of nature conservation and expressed full support to the proposed activities in this area. The representative of Mongolia stated that the very existence of the NEASPEC is very important for North-East Asia and expressed strong appreciation of the NEASPEC contribution to sustainable environmental cooperation. The representative of Mongolia urged the NEASPEC member countries to further strengthen the spirit of camaraderie and friendship in the field of development and environmental protection. The representative of Mongolia expressed its sincere wishes that NEASPEC could prosper and develop further through the North-East Asia cooperation in the field of air pollution and nature conservation, and to grow to become the think-tank for North-East Asia.

16. The representative of the Asian Development Bank has provided a detailed overview of its ongoing programmes in the area of environment and natural resources protection in Asia and the Pacific, and particularly to the NEASPEC, including the establishment of the subregional training and data management centres, hosted by the Government of Republic of Korea. The representative expressed appreciation and satisfaction for the activities undertaken under the NEASPEC programme in air pollution and underlined the importance to focus on developing of the subregional action plan linked to concrete measures for the coal-fired power plants that are crucial for the transboundary air pollution in North-East Asia. Such project focus will generate concrete and tangible outputs and investment projects. The representative provided a comprehensive overview of the success of the regional project for prevention and mitigation of dust and sandstorms in North-East Asia. The representative of the ADB also underlined the importance of combining policy and economic

measures to strengthen environmental protection in Asia and the Pacific and North-East Asia in particular.

17. The representative of the World Bank informed the meeting that the WB is focusing more on poverty eradication, collaboration with other donors and organizations and up-streaming environmental issues in the policy level as well as other sectors, such as urban development, energy, transport, health, water and sanitation. The representative underlined that the WB projects today are focusing on energy efficiency/alternative energy and less on end-of-pipe solutions. A partnership programme to involve all stakeholders, Clean Air Initiative, has been established and there is a room for cooperation with NEASPEC. In addition to the other programme activities of the NEASPEC the representative offered to share the experience of World Bank in developing economic instruments for nature conservation and the progress of the study on the circular economy in China. The representative provided an overview of the activities in the area of Carbon Finance and opportunities for collaboration with NEASPEC member countries.

**B. Consideration of the Recommendations of the Preparatory Meeting of Experts**

(Item 5 of the agenda)

18. The Meeting had discussed the recommendations and conclusions of the Preparatory Meeting of Experts for the Tenth Meeting of Senior Officials on Environmental Cooperation in North-East Asia, held in Naha (Okinawa) from 24 to 25 November 2004. The recommendations and conclusions covered: (a) Programme planning and implementation – reduction of air pollution from coal-fired power plants; - nature conservation activities; and - prevention and mitigation of dust and sandstorms, (b) Preparatory process for the 5<sup>th</sup> Ministerial Conference on Environment and Development: - outcomes from the NEA subregional preparatory meeting; - discussions on the opportunity for holding a NEASPEC Environmental Ministers Meeting; (c) Further development of the NEA subregional Programme for Environmental Cooperation: new and emerging issues related to environmentally sustainable economic growth in NEA; (d) Report on NEASPEC Core Fund and planned expenditure, (e) Venue, date and provisional agenda of the Tenth Meeting of Senior Officials, and (f) Other matters.

19. The Meeting reviewed the recommendations and conclusions from the Preparatory Meeting of Experts, including the Core Fund expenditure and proposed expenditure for the year 2005 and 2006 and adopted them.

**C. Venue, date and provisional agenda of the Eleventh Meeting of Senior Officials**

(Item 6 of the agenda)

20. The Meeting discussed the venue, date and agenda of the Eleventh Meeting of Senior Officials on Environmental Cooperation in North-East Asia. The Meeting expressed its appreciation to the

Government of Republic of Korea for generously offering to host the Preparatory Meeting of Experts and the Eleventh Senior Officials Meeting in the second half of 2005. The proposed dates and venue will be communicated at a later stage.

21. The provisional agenda of the Meeting is as follows:

1. Opening session.
2. Election of officers.
3. Adoption of the agenda.
4. Environment and development policies and issues for the North-East Asian Subregional Programme of Environmental Cooperation (NEASPEC).
5. Programme planning and implementation:
  - (a) Implementation of ongoing projects;
  - (b) Proposed projects/activities.
6. Further development of the North-East Asian Subregional Programme of Environmental Cooperation (NEASPEC) and as a follow up from the 5<sup>th</sup> Ministerial Conference on Environment and Development in Asia and the Pacific, 2005.
7. Report on the Core Fund
8. Other Matters
9. Adoption of the report.
10. Closing of the Meeting

### **III. ORGANIZATION OF THE MEETING**

22. The Tenth Meeting of Senior Officials on Environmental Cooperation in North-East Asia was held in (Naha) Okinawa, Japan on 26 November 2004. It was organized by the Economic and Social Commission for Asia and the Pacific (ESCAP) and generously hosted by the Government of Japan.

#### **A. Attendance**

23. The Meeting was attended by representatives of China, Japan, Mongolia, the Republic of Korea and the Russian Federation. It was also attended by representatives of the Asian Development Bank, and the World Development Bank.

#### **B. Opening session**

24. The Tenth Senior Officials Meeting was kindly opened by her Excellency, the honourable Minister Koike who welcomed the representatives of the NEASPEC member countries to one of the most beautiful parts of Japan, Okinawa. Minister Koike has underlined in her speech that the contemporary trends of rapid economic development are causing serious concern as one of the main causes for environmental degradation. One direct consequence of that economic development is the

increased emissions of greenhouse gasses and the climate change, which are believed to have main source of the unusual weather phenomenon of extreme heat and typhoons that have affected Japan recently. To tackle with this and other related problems, such as acid deposition, dust and sandstorms, the Minister are calling for enhanced regional cooperation efforts, such as the NEASPEC. The Minister Koike wished to the representatives of the NEAPEC member countries successful deliberations and congratulated them for the launching of a number of joint projects at the 10th Senior Officials Meeting, including the nature conservation programme.

25. In his opening statement, the Director of the Environment and Sustainable Development Division of UNESCAP expressed his sincere appreciation to the Government of Japan for generously hosting this important meeting and for all its hospitality and excellent arrangements. He highlighted the tangible results that had come out of the Preparatory Meeting of Experts. In particular, with regard to implementation of NEASPEC projects as well as the modalities of administration of the Core Fund for NEASPEC. He underlined the timing of the Tenth Senior Officials Meeting of NEASPEC as opportune and very important in view of the forthcoming Fifth Ministerial Conference on Environment and Development for Asia and the Pacific and the need for shift of paradigm in the region for achieving environmentally sustainable economic growth. He expected that further development of NEASPEC for the next tenth years could open new horizons for subregional environmental cooperation and for achieving environmentally sustainable economic growth. The Director also encouraged the NEASPEC member states representatives to share his view so that the North-East Asia subregion could take the lead in promoting and developing the model of how to pursue “green growth” environment as a driver of growth and business opportunity by establishing a policy framework that encourages creation of new markets in pollution control, environmentally sound resource management and technologies; promotion of environmental infrastructure investments, environmental goods and services, and promotion of research and development in these areas.

26. A welcoming address on behalf of the Governor of the Okinawa Prefecture to the participants at the Preparatory Meeting of Experts and the Tenth Senior Officials Meeting of NEASPEC was read by the Director General for Culture and the Environment in the Okinawa Prefecture. The Director General underlined the importance of the NEASPEC programme and the deliberations of the forthcoming days as an opportunity to strengthen cooperation in the area of environmental protection in North-East Asia. The Director also underlined that the current processes of global warming are increasing and affecting many countries, including Japan and the Okinawa area. The Director pointed that nature has reached the limit of its carrying capacity and cannot carry further the environmental burden. The solution, said the Director is in development of clean technologies and environmental investments to influence positively the processes and to protect the coastal and the coral reef areas. The Director General once again welcomed the participants to Okinawa and wished them successful and productive Senior Officials Meeting.

### **C. Election of officers**

27. The Preparatory Meeting of Experts and the Tenth Senior Officials Meeting were kindly opened and inaugurated by her Excellency, the honourable Minister Koike, Minister of the Environment of Japan and Minister of State for Okinawa Affairs.

28. Mr. Kazuhiko Takemoto (Japan) was elected as the Chairperson of the Meeting. Mr. Yeon-chul Yoo (Republic of Korea) was elected as the Vice-Chairperson. Mr. Yury Aleksandrovskiy (The Russian Federation) was elected as the Rapporteur.

### **D. Adoption of the agenda**

29. The Meeting adopted the following agenda:

1. Opening session.
2. Election of officers.
3. Adoption of the agenda.
4. Environment and sustainable development policies and critical issues in North-East Asia.
5. Consideration of the Report of the Preparatory Meeting of Experts.
6. Venue, date and agenda of the Eleventh Meeting of Senior Officials.
7. Other matters.
8. Adoption of the report.

## **IV. OTHER MATTERS**

(Item 7 of the agenda)

30. The Meeting expressed its deep appreciation to the Government of Japan for generously hosting the Preparatory Meeting and the Tenth Meeting of Senior Officials and for its warm hospitality and the excellent arrangements made for the Meetings.

## **V. ADOPTION OF THE REPORT**

(Item 8 of the agenda)

31. The Meeting adopted the report on 26 November 2004.

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ANNEX I

REPORT ON EXPENDITURE OF THE CORE FUND

1. Expenditure of the NEASPCE Core Fund between SOM 9 and SOM 10.

NEASPEC - UNESCAP COOPERATION PROGRAMME

STATUS OF FUNDS  
AS OF 18 NOVEMBER 2004

Balance carried forward as of 31 December 2003:		\$ 379,960.03
Contribution Account	\$ 357,353.31	
Interest Income	\$ 22,606.72	
ADD - Contributions received in 2004:		\$ 157,600
Government of Japan	\$ 57,600	
Government of the Republic of Korea	\$ 100,000	
ADD - Balances from Completed Projects		\$ 58,136.47
Project 1632 NE Asia Subregional Programme of Environmental Cooperation	\$ 58,136.47	
ADD - Interest Income		\$ 10,104.91
Project 1632 NE Asia Subregional Programme of Environmental Cooperation	\$ 4,071.02	
Unallocated Contributions, Completed Accounts	\$ 6,033.89	
LESS - Allocations to Projects in 2004:		\$ 62,489
Project 1792 Technical Assistance on Environmental and Sustainable Development Cooperation in North-East Asia	\$ 62,489	
<b>Balance of Unprogrammed Resources</b>		<b>\$ 543,312.41</b>

NEASPEC - UNESCAP COOPERATION PROGRAMME

STATUS OF INDIVIDUAL PROJECTS ACCOUNT  
AS OF 18 NOVEMBER 2004

Project ID	Title	Balance Carried Over 31 Dec. 2003	Contributions During 2004	Interest Earned During 2004	Expenditure During 2004	Return to Completed Projects Account	Balance at 18 Nov. 2004
1632	AE902917 NE Asia subregional programme of environmental cooperation	78,535.08	0.00	947.51	17,275.10	62,207.49	0.00
1792	PN104001 Technical assistance on environmental and sustainable development cooperation in North-East Asia	0.00	62,489.00	66.55	40,508.56	0.00	22,046.99
<b>Totals</b>		<b>78,535.08</b>	<b>62,489.00</b>	<b>1,014.06</b>	<b>57,783.66</b>	<b>62,207.49</b>	<b>22,046.99</b>

2. Proposed expenditure of the Core Fund

**Planned Expenditure for two years from SOM 10 to SOM 12**

<i>Secretariat</i>		
Travel	<b>3200</b>	20,000
Reporting and publications	<b>5200</b>	10,000
Sundry	<b>5300</b>	3,000
<i>Activities</i>		
Expert Meetings		50,000
Studies/consultancies/experts visits		50,000
<i>Monitoring and evaluation</i>	<b>2203</b>	1,000
13% Programme Support Cost	<b>5600</b>	17,290
<b>Total</b>		<b>151,290</b>