

# MINUTES OF THE 10th TRIPARTITE ROUNDTABLE MEETING ON THE ENVIRONMENTAL INDUSTRY

Meeting Time : December 1 ~ 2, 2010

Meeting Venue : Grand Hilton Seoul Hotel, Seoul, Rep. of Korea

Participants : 2 delegates from China, 13 delegates from Japan, 14 delegates from Korea

## **OPENING CEREMONY:**

Mr. Han-Seung Kum, Director of the Environmental Industry Team of the Rep. of Korea's Ministry of Environment (MoE), gave an opening address and welcomed the delegates of the three countries (China, Japan, and Korea). In particular, he emphasized the necessity of partnership based on mutually beneficial cooperation in the environmental field and said that the Tripartite Roundtable Meeting could play an important role in strengthening cooperation among the three countries.

Mr. Liu Zunwen, assistant director of the Environmental Certification Center of MEP, reviewed the summary of discussions in the 9th Tripartite Roundtable Meeting held in Beijing in Oct. 2009.

Mr. InKyu Park, deputy director of MoE, showed the outline and agenda of the 10<sup>th</sup> Roundtable Meeting on the Environmental Industry.

## **Session 1: Green Purchasing**

Chairperson: Mr. Jae-Sung Park, Director General of the Environmental Management Department of KEITI

Mr. WooRak Son, Deputy Director of the Green Technology and Economy Division of the Rep. of Korea's MoE, introduced the National Strategies for Low Carbon, Green Growth. He also presented the "Plan for Revitalizing Green Consumption" as part of the low carbon, green growth strategy. In addition, he discussed Korea's current status of green purchasing in

the public, industry, and household sector and introduced Korea's strategies for revitalizing green consumption: 1) Expanding the distribution of low-carbon products; 2) Green Consumption Campaign; 3) Green Store Certification Program; 4) Offering incentives, and; 5) Setting up Regional Help centers to promote low-carbon life.

Mr. Kazuhiro Hashimoto, assistant director of the environmental policy bureau of the ministry of environment, gave a presentation titled "Development of Green procurement." He first tackled measuring the green purchasing effect induced by the Green Purchasing law, followed by methods of ensuring the credibility of environmental indication and the Green Contract law, which considers the environmental effect as well as the price. In particular, he emphasized the methods of ensuring the credibility of environmental indication such as Guidelines for Environmental Indication, careful consideration of the product experiment technique, Guidelines for securing confidence, etc., and mentioned disguising and errors in environmental indication like what happened in Japan.

Mr. ZunWen Liu, assistant director of the Environmental Certification Center of MEP, introduced the legal framework and implementation conditions of green procurement. In particular, he presented the government purchasing list based on environmental labelling products and discussed the number of companies and products, process of list making, and restrictions applied on non-fulfillment in detail. He also introduced China's plan to adopt the low carbon certification scheme and explained step by step plans such as a low-carbon product awarded the Chinese environmental label certification, the carbon footprint label, and the carbon rating label. He noted that China has a low-carbon product certification system similar to Germany's system, the blue angel. This year, the Chinese government introduced low-carbon product standards for 4 products.

Chairperson:

The Chairperson noted that green purchasing plays a crucial role in establishing a sustainable society and suggested establishing an international eco-products database system to strengthen cooperation on information sharing among the three countries. China and Japan agreed on the necessity of establishing the database system. In particular, Japan remarked that this project can be developed in connection with existing global eco-products DB such as the Asian Productivity Organization's Eco-Products Directory. China suggested holding

discussions on the “Environmental Information Exchange Center Promotion Plan” in session 4.

In addition, the chairperson suggested establishing a joint partnership for the co-hosting of the Eco-products Exhibit. The three countries agreed on the necessity of this proposal and stressed that further discussion is necessary to decide on more detailed contents such as the method, date, etc. In particular, Japan remarked that this project can be developed in connection with existing Eco-products Exhibits in three countries.

## **Session 2: Environmental Management**

Chairperson: Mr. Ryoichi YAMAMOTO, Prof. Emeritus of University of Tokyo, Chairperson of IGPN

Mr. Teruya Saruta, Assistant Director of Japan’s Ministry of Environment, introduced EcoAction 21 as a method of spreading environmental management to small and medium enterprises (SMEs). He explained overview and features of EcoAction 21 and referred to the preferential loan programs offered by several banks to EcoAction 21-certified companies. He also emphasized the importance of environmental information disclosure as a method of encouraging companies to practice environmental management as well as a method of communicating with outside stakeholders. He emphasized that by having a third parties evaluate a company’s environmental efforts, the company would continue increasing its environmental consciousness thus forming a beneficial cycle and that specifying what kind of information is necessary is essential for one to understand a company’s actual environmental management practices.

Ms. JiYoung WON, deputy director of the Green Technology and Economy Division of the Rep. of Korea’s MoE, also emphasized environmental information disclosure as a method of promoting environmental management while introducing the environmental information disclosure scheme in Korea. In particular, she introduced the information disclosure process as well as how to disclose environmental information using EMIS (Environmental Management Information System). She also explained that the disclosure process is being implemented among green companies under the Green Company Operation Rule and announced that there is a plan to pursue the scheme in earnest after the legal foundation is established.

Chairperson:

The Chairperson noted that establishing an environmental management system is important with special focus on the environmental management system of SMEs. Nowadays, the importance of environmental management system in the field of CSR (Corporate Social Responsibility) is increasing. In this vein, further discussion on CSR, ISO26000, etc., can be considered.

In addition, he revealed that research to estimate corporate environmental performance such as Eco-efficiency and eco-balance is ongoing. Thus, the three countries could consider corporate environmental performance rating as an important tool for disseminating environmental management and increasing green investment.

With regard to environmental information disclosure, there is a need to come up with a mandatory scheme considering each country's different circumstances in phases to promote environmental management. At the same time, careful consideration should be made as to what kind of information is necessary for one to understand a company's actual environmental management practice and how environmental information disclosure is made since it can be a burden to industries.

### **Session 3: Eco-Labeling**

Chairperson: Mr. Zunwen Liu, assistant director of the Environmental Certification Center of MEP

Ms. Ying LI, an engineer at the Environmental Certification Center of MEP, gave a presentation on the comparison of DVD criteria among China, Korea, and Germany. First, she tackled the scope of DVD player, its design, the production & energy consumption, and the recycling requirements & packaging. She added that matters taken up at the Working Group Meeting held in Beijing last September would be reflected.

Mr. JongHeon Park, team manager of the Environment Standard Team of KEITI, gave a presentation on the Agreement on the MRA-based certification procedure of Eco-labelling. First, he introduced MRA, which includes the definition and purpose of Eco-labelling, and then gave a speech on the basic concepts of the certification procedure. He also expressed KEITI's position on the verification procedure as well as which among the three countries

have different views and when the manufacturing country obtained certification from the other country.

Mr. Osamu Uno, secretary-general of the Eco Mark Office of the Japan Environment Association (JEA), and Mr. Ryo Osawa, Eco Mark Office of the Japan Environment Association (JEA), presented the operation rules of MRA. First, Mr. Uno gave a speech on the status of Eco Mark in Japan and added Japan's Eco Mark Award program. Second, Mr. Uno introduced the progress of MRA discussion particularly the common criteria finalized for the product categories of PC and MFD.

Next, Mr. Osawa introduced the operation rules such as the objective, application, fairness, language, handling of application document, and publication. He concluded the presentation by citing the necessity of future efforts among the three countries.

Chairperson:

He said that the next common criteria categories would be DVD equipment. Note, however, that its progress came to a standstill. Nonetheless, through efforts among the 3 countries, the number of common criteria items for DVD equipment is expected to increase. We all agree that it is best for the companies and for mutual recognition.

The mutual recognition agreement of MFD has been settled.

We have not reached an agreement on the certification procedure particularly on 1.0(8) CEC request. Nonetheless, we three countries communicate actively, so we are sure we could reach an agreement after further efforts among the three countries.

#### **Session 4: Environmental Industry and Technology Communication**

Chairperson: Prof. SangEun Lee, Aju University

Regarding the Korean Environmental Technology Verification (ETV), Mr. Young-Kwon Kim, manager of the ETV team of KEITI, introduced the purpose, details of promotion, promotion system, verification procedure, and incentives. He also explained Korea's efforts such as ETV stakeholders forum and result evaluation of Korea's ETV program to disseminate ETV and gave a presentation on the basic position of Korea on the tripartite cooperation on ETV.

Mr. YounSeob LEE, Director General in the Korean Embassy in the People's Republic of China, emphasized the need for the smooth exchange of information on environmental technology, industry, and products. He proposed the establishment of a Korea-China-Japan Environmental Information Exchange Center and presented a step-by-step promotion plan and the operating plan for the executive office.

Mr. Nobuhiro KANAI of Japan's Ministry of Environment talked about promotion strategy for environmental research and technology development in the MoE. He introduced MoE's policies to transfer to sustainable society, a mechanism for developing science and technology and its current status as well as the promotion strategy. With regard to ETV, he gave a speech on Japan's ETV status, strategies, flow, and structure.

Chairperson

China, Japan, and Korea agreed to strengthen cooperation on environmental industries including technologies such as ETV.

The environmental information sharing center promotion plan proposed by Korea was thoroughly discussed in session 4 and will be discussed positively in the preparatory meeting of the 11<sup>th</sup> RTM after careful review of each country.

## **RESOLUTION:**

Chairperson: Prof. SangEun Lee, Aju University

The three countries agreed that green purchasing plays a crucial role in establishing sustainable society and reached a general consensus on the necessity of establishing an international eco-products database system to strengthen cooperation on information sharing among the three countries. In particular, Japan noted that this project can be developed in connection with the existing global eco-products DB such as the Asian Productivity Organization's Eco-Products Directory.

All three countries acknowledged that establishing an environmental management system is important with special focus on the environmental management system of SMEs. Nowadays, the importance of environmental management system in the field of CSR (Corporate Social Responsibility) is increasing. In this vein, further discussion on CSR, ISO26000, etc., can be considered.

Taking into account the fact that research to estimate corporate environmental performance such as Eco-efficiency and eco-balance is ongoing, the three countries could consider corporate environmental performance rating as an important tool for disseminating environmental management and increasing green investment.

With regard to environmental information disclosure, there is a need to come up with a mandatory scheme considering each country's different circumstances in phases to promote environmental management. At the same time, careful consideration is required as to what kind of information is necessary for one to understand a company's actual environmental management practice and how environmental information disclosure is made since it can be a burden to industries.

China, however, will give its opinion on this matter after the review with the Department of Environment Protection.

Regarding the common criteria in MRA, the next common criteria categories would be DVD equipment. Note, however, that its progress came to a standstill. The three countries will do their best to come up with more common criteria items for DVD equipment. China will play the leading role in this item.

The mutual recognition agreement of MFD has been settled.

The three countries have not reached an agreement on the certification procedure particularly on Article 1.0(8) CEC request. Nonetheless, we three countries communicate actively, so we are sure we could reach an agreement after further efforts among the three countries.

China, Japan, and Korea also agreed to strengthen cooperation on environmental industries including technologies such as ETV.

The environmental information sharing center promotion plan proposed by Korea was thoroughly discussed in session 4 and will be discussed positively in the preparatory meeting of the 11<sup>th</sup> RTM after careful review by each country.