

Meeting Minute of the 1st Tripartite Roundtable on Environmental Business

Shanghai, China

April 28-29th, 2015

Background

At the TEMM 15 in May 2013, the Ministers agreed to discuss the establishment of a trilateral policy dialogue and technical cooperation platform on green economy to effectively boost information sharing and green technology cooperation among the three countries, and to accelerate the progress towards sustainable development.

During Post-TEMM15 Working Level Meeting in December, 2013, the three countries agreed to combine the Business Forum with the Tripartite Roundtable Meeting on Environmental Industry. The merged meeting, now called the Tripartite Roundtable on Environmental Business, will continue to be a mechanism for the meeting of environmental enterprises under the TEMM.

Opening Session

Mr. DUAN Feizhou, Acting Director of Division for Technology Cooperation, China-ASEAN Environmental Cooperation Center, Ministry of Environmental Protection, China, moderated the opening session. Two speeches were made, followed by a group photo.

- Mr. LEE Jong-heon, Deputy Secretary-General, Trilateral Cooperation Secretariat, gave remarks to welcome to all delegates and introduced the Secretariat.
- Mr. LV Ben, Deputy Director, Department of Science, Technology and Standards of MEP, China, congratulated the roundtable meeting.

Session II: Dialogue of Environmental Industry Park

Mr. XIA Shu, Director of Engineering Technology Center, New World Environment Group Co., Ltd, China, moderated the session.

<China>

- Mr. ZHU Xufeng, Director General, China Yixing Industrial Park for Environmental Science & Technology, presented Yixing Industrial Park, enumerated several successful international cooperation practices and summarized its experience to facilitate environmental business as local administration.
- Ms. MA Shuyan, Deputy Director General, Shanghai Jinqiao Economic & Technological Development Zone, shared some actions they took to boost public

participation and internal circulation in the zone with future prospective.

<Japan>

- Mr. KOBAYASHI Akikazu, Assistant Manager, Economic and Labor Affairs Bureau, City of Kawasaki, introduced the city and the measures the municipality is taking to restrict local industries from polluting the environment, as well as the circular system being operated in the Kawasaki Eco-Town.

<Korea>

- Mr. YOON Woung Ro, Vice President, Korea Environmental Industry Association, presented the recycling complex, environmental industry park and eco-industrial park in Korea. He argued that it is desirable for all kinds of industrial parks to pursue the value of sustainable development.

Discussion of Session II

1. Mr. XIA Shu asked Mr. YOON Woung Ro whether a special eco-industrial park could avoid public objection to waste disposal. Mr. YOON replied that the eco-industrial park dealt with industrial waste produced by factories instead of urban waste.
2. Mr. LEE Cheol Gyu, Vice President, J-E Tech Co. Ltd., asked Mr. ZHU Xufeng which law would be applied when there is a dispute between a Chinese firm and a foreign company regarding intellectual property in technology transfer. Mr. ZHU replied that they have invited law experts from Nanjing University and set up a special agency to cover legal disputes in Yixing, which was really earlier compared to its peers all over the world, and Yixing Industrial Park always followed international practice when dealing with these problems.
3. Mr. LEE then asked Mr. KOBAYASHI Akikazu that Kawasaki city might need better technologies to operate local industrial park construction, and if Chinese or Korean enterprise might be also involved. Mr. KOBAYASHI replied that they had an open bidding system, as well as cooperative programs with local firms in Kawasaki. Furthermore, foreign enterprise could seek assistance from the Economic and Labor Affairs Bureau, City of Kawasaki.
4. Mr. XIA Shu asked Mr. ZHU how Yixing Industrial Park dealt with conflicts given that most industrial parks face issues as they get bigger and more significant. Mr. ZHU explained that the environmental industry in China is booming, and that the implementation of new environmental laws in China has brought many opportunities. In addition, a professional cooperation platform could be a good endorsement, and both big companies and small businesses are supported for different demands.
5. Mr. WU Huanan, Researcher, Beijing University, asked the presenters in Session II who would be the right choice for waste disposal, and what kind of company might

get the chance. Mr. YOON explained that in Korea, the volume based waste fee system was introduced by applying the "producer pays" principle, according to which citizens pay by the amount of waste generated and businesses are responsible for recycling products and materials. Mr. KOBAYASHI explained that in Japan, the waste management law was enacted for this problem, and in Kawasaki, a high volume of waste had been disposed within the Eco-Town, and a special company dealt with urban waste from local families.

Session III: Environmental Labeling

Mr. OSAWA Ryo, Deputy Manager, Criteria & Certification Section, Eco Mark Office, Japan Environment Association (JEA) moderated the session.

<China>

- Mr. LIU Zunwen, Deputy Manager, China Environmental United (Beijing) Certification Center Co., Ltd., reviewed recent achievements in eco-labeling in China, Japan and Korea, and the tripartite cooperation of the three countries on eco-labeling, and concluded that joint standards for tripartite eco-labeling could help companies in these three countries find more opportunities.
- Then Mr. LIU Zunwen, China Environmental United (Beijing) Certification Center Co., Ltd., Mr. SAKAMOTO Kiyotaka, Japan Environment Association, and Mr. YANG Myung Sik, Environmental Policy Department, Ministry of Environment, Korea, proceeded to the signing ceremony for the Agreement on Projector (Common Certification Rule of Eco-labeling).

Session IV: Technical Exchanges and Cooperation on Water Pollution Prevention

Mr. Lee Cheol Gyu, Vice President, J-E TECH CO., Ltd., Korea, moderated the session.

<China>

- Mr. HU Jiukun, Technical Director, DONGJIANG Environmental Company Limited introduced his company and its major business.
- Mr. WANG Selan, General Manager, Shanghai Laogang Solid Waste Utilization Co., Ltd., presented on the 3,200 treatment plants constructed by the company, as well as some instruments.

<Japan>

- Mr. ISHIBASHI Noriaki, Manager, Kubota Environmental Engineering (Shanghai) Co., Ltd., presented on sewage treatment in Japan, as well as technology of Johkasou with examples of cooperation in China.

<Korea>

- Mr. CHA Woon Ou, Managing Director, TSK Water, illustrated its major water treatment business and solutions that they provided.

Discussion of Session IV

1. Mr. YOON Woung Ro, Vice President, Korea Environmental Industry Association, asked how much sewage a Johkasou could treat sewage per day and what the approximate price of the equipment is. Mr. ISHIBASHI replied that the capacity and price of Johkasou vary according to their size and the regions they are installed.
2. Mr. CHA Woon Ou asked Mr. WANG Selan for the example from his presentation located in Shanghai in more detail. Mr. WANG replied that the total cost of operation was paid by the local government, the kitchen waste, some from restaurant was disposed as bio-fuel and fertilization, and urban waste was sorted.
3. Mr. SHAO Kunkun, General Manager, Jiangsu PHILIP Environmental Engineering Co., Ltd., asked Mr. ISHIBASHI for a case of 4,000 residence dispersive Johkasou, and if they considered earthquake and other disasters, Mr. ISHIBASHI explained that some Johkasou did emerge on earth, but still worked well after the earthquake, and it might depend on the scale of the earthquake.
4. Mr. SHAO further asked if some people might had lived in basement beyond expectation, and if Mr. ISHIBASHI had solution as the Johkasou usually set in basement. Mr. ISHIBASHI said a pump could be considered for drainage.
5. Mr. LEE Cheol Gyu asked Mr. ISHIBASHI who would pay for maintenance costs of Johkasou, and Mr. ISHIBASHI replied that the owner paid for the cost if installed by themselves, and that the local residence paid some fees if installed by the government.

Session V: Sharing Cooperation Case of Environmental Industry

Mr. GOTO Toshihiko, Chief Executive, Sustainability Forum Japan, moderated the session.

<China>

- Mr. XU Rong, Chief Executive Officer, Umore Consulting, presented the major business – technology transfer service, which he divided into tech consulting, corporate intelligence, corporate marketing outsourcing and financial solution.
- Mr. SHAO Kunkun ,General Manager, Jiangsu PHILIP Environmental Engineering Co., Ltd, briefed his company and major technologies they applied (namely WEP water environment restoration system) and explained an international cooperation case led by PHILIP. He also emphasized that communication is very important to boost technical cooperation internationally.

<Japan>

- Mr. AONO Taku, General Manager, ESG Promotion Department, TOTO Ltd., introduced TOTO's history, and several innovative products developed by TOTO,

which fully considered water consumption to ease the pressure to nature.

<Korea>

- Mr. LIM Dong Whi, Executive Director, Gentro Co., Ltd. introduced a list of their major products and explained several cooperative programmes overseas.

Discussion of session V

1. Mr. LEE Cheol Gyu asked Mr. AONO Taku about their market share. Mr. AONO replied that for sanitary products, it was 50-60% in Japan.
2. Mr. DUAN Feizhou asked Mr. AONO whether their products were expensive due to their exclusively developed technology and whether it was feasible to promote their products in poorer regions where water was scarce. Mr. AONO explained there was no big difference in price between their shower and normal showers; however the sanitary products were a little bit expensive compared to normal products.

Session VI: Policies on Green Development and Transformation

Mr. KIM Tae Yong, Director, Institute for the Environment & Civilization, moderated the session.

<China>

- Mr. HUANG Haifeng, Researcher, Peking University HSBC Business School, discussed green development in China, relevant policies from abroad by illustrating current changes faced by China during fast economic growth, shared his study on foreign policies including those from Germany, France and the US. He spoke highly about the circular society in Japan and wrapped up with several policy recommendations to the Chinese government.

<Japan>

- Mr. OKAZAKI Yuta, Deputy Director, Environmental Policy Bureau, Ministry of the Environment, reviewed environmental protection policies of Japan during its years of fast economic growth, and introduced measures for greening the economy and promoting ecologically sound regions in Japan.

<Korea>

- Mr. SHIN Gun Il, Director, Greenhouse Gas Inventory & Research Center of Korea, Ministry of Environment, presented the current status and evaluation of Korea's economic, social and environmental sectors and described the idea of "Environmental Welfare" with the latest policies and regulations on environmental issues and challenges with strategies that may alleviate some problems.

Discussion of Session VI

Mr. DUAN Feizhou asked about how Japan and Korea managed the financing of

updating their piping system as those in China has reached their lifetimes and whether if foreign vendors were permitted to enter this business. Mr. OKAZAKI Yuta answered that Japan also faced lack of financing for maintaining the water and sewage systems, and that local governments used bidding processes but PPP had been rare in Japan, and that there was no discrimination against foreign vendors. In Korea, Mr. CHA Woon Ou explained , constructing administration will take over the job, central government and local government will work together to handle the problem. Participation of foreign vendors was not widespread.

Session VII: Practices on Green Development

Mr. WU Huanan, Researcher, School of Environment and Energy, Peking University, moderated the session.

<China>

- Mr. BAO Cunkuan, Professor, Department of Environmental Science and Engineering, FUDAN University, analyzed environmental risks and discussed how to manage NIMBY conflicts, He stressed that early public participation at the appropriate decision-making levels was quite important, and he summarized that policy management, strategic plan and early public participation under specific regulations were necessary to deal with NIMBY.

<Japan>

- Mr. GOTO Toshihiko, Chief Executive, Sustainability Forum Japan, reviewed world activities and situation, some guidance documents pertaining to CSR, and stakeholder engagement and information disclosure, as well as some examples of efforts by MOE Japan.

<Korea>

- Mr. KIM Tae Yong, Director, Institute for the Environment & Civilization, introduced green development in Korea and efforts made by Korea to fulfill the target. He explained current situation, main strategy and action plan of Korea's green growth before sharing some lessons from the experience over the decade.

Discussion of Session VII

Mr. QIU Yizheng, Researcher, Overseas Environmental Cooperation Center, Japan, asked Mr. BAO Cunkuan how to evaluate the appropriate scale to better combine other theories than NIMBY as reference for environmental administrators, and Mr. BAO replied that this involved different sciences, and that it has different standards based on different considerations from different subjects.

Summary

During the meeting, all delegates from the three countries made insightful presentations. They shared experience in industrial park construction, signed Agreement on Projector, discussed technical cooperation on water pollution prevention and treatment, reviewed good practices on international technical cooperation and exchanged latest trends in relevant policies not only from the three countries but also from world-wide and discussed measures that would promote green development within the region. They mutually agreed that technical cooperation should be further developed to meet growing demand for environmental protection during fast economic growth and to achieve green development in the region.