

**REPORT OF THE EAST ASIA VISION GROUP II
(EAVGII)**

CONTENTS

Letter of Transmittal	i
Executive Summary	ii
Report of the East Asia Vision Group II	1
Introduction	1
I. Mandate of the East Asia Vision Group (EAVG) II	1
II. Assessment of the Past Decade and New Challenges	2
III. The New Vision	3
IV. Guiding Principles	6
Agenda for Cooperation	7
I. Cross-sectoral Cooperation	7
II. Political and Security Cooperation	7
III. Economic Cooperation	9
IV. Socio-Cultural Cooperation	12
V. Institutional Arrangements	15
Annexes	
Annex A: Terms of Reference of the EAVG II	
Annex B: List of Eminent Representatives and their Biographies	
Annex C: List of Supporting Experts	
Annex D: Summaries of Stock-taking Reports	

**LETTER OF TRANSMITTAL OF THE EAST ASIA VISION GROUP II REPORT
TO THE ASEAN PLUS THREE COMMEMORATIVE SUMMIT, 19 NOVEMBER
2012, PHNOM PENH, CAMBODIA**

Your Majesty, Excellencies,

The East Asia Vision Group II (EAVGII) was established following the decision of the 13th ASEAN Plus Three Summit on 29 November 2010 in Ha Noi, Viet Nam.

Since its establishment, the EAVGII has actively worked during the past eleven months. It has met on four occasions, namely 20-22 October 2011 in Seoul, the Republic of Korea; 13-14 February 2012 in Nha Trang, Viet Nam; 7-9 May 2012 in Tokyo, Japan; and 5-7 September 2012 in Bali, Indonesia, to review the ASEAN Plus Three cooperation in the past 15 years, and to recommend concrete measures and direction for further enhancing, expanding and deepening ASEAN Plus Three cooperation in the next 15 years and beyond.

The EAVGII has adopted a forward-looking vision, with relevant strategies and guiding principles, and identified key elements for advancing the ASEAN Plus Three cooperation. We believe that such initiatives and recommendations are in line with the aspirations of the peoples of ASEAN Plus Three countries.

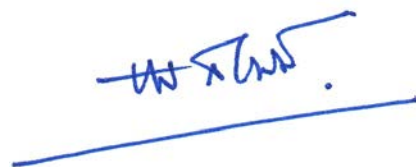
With the assistance of our supporting experts, we, the EAVGII have prepared the East Asia Vision Group II (EAVGII) Report with recommendations and hereby submit it for your kind consideration.

Please accept, Your Majesty, Excellencies, the assurances of our highest consideration.

Signed and submitted on 1st November 2012



H.E. Dr. Yoon Young-kwan
Professor of International Relations,
Seoul National University and,
Former Minister of Foreign Affairs
and Trade
The Republic of Korea (Co-Chair)



H.E. Amb. Meas Kim Heng
Advisor to Deputy Prime Minister,
Minister of Foreign Affairs and
International Cooperation
Cambodia (Co-Chair)

H.E. Dato Paduka Erywan Pehin Mohd Yusof
Permanent Secretary of the Ministry of Foreign Affairs and Trade
Brunei Darussalam

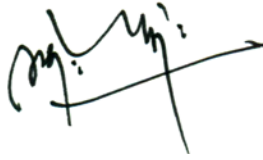
H.E. Zhang Yunling
Professor, Academy Member and Director of International Studies, Chinese Academy of Social Science (CASS)
People's Republic of China

H.E. Jusuf Wanandi
Co-founder and Vice Chairman, Board of Trustees of the Centre for Strategic and International Studies (CSIS) Foundation and Senior Fellow of the CSIS
Indonesia

H.E. Dr. Tanaka Akihiko
President,
Japan International Cooperation Agency (JICA)
Japan

H.E. Phongsavanh Sisoulath
Deputy Director-General of the ASEAN Department, Ministry of Foreign Affairs
Lao PDR

H.E. Dato' Kamarudin Mustafa
Former Ambassador of Malaysia to Sweden, Denmark, Iceland and Norway
Malaysia



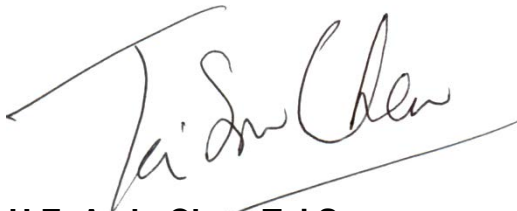
H.E. Than Tun

Member, Commission on Assessment
of Legal Affairs and Special Issues,
Pyithu Hlauttaw (Parliament)
Myanmar



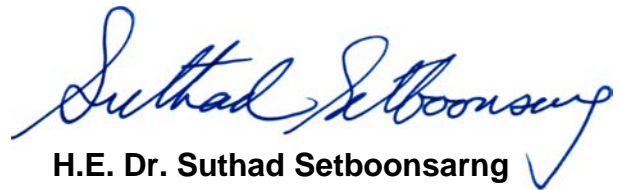
H.E. Amb. Rosario G. Manalo

Representative of AICHER, and
Concurrently Senior Foreign
Affairs Advisor, Department of
Foreign Affairs
Philippines



H.E. Amb. Chew Tai Soo

Ambassador-at-Large
Ministry of Foreign Affairs
Singapore



H.E. Dr. Suthad Setboonsarng

Former Thailand Trade
Representative
Thailand



H.E. Amb. Nguyen Hoang An

Former Ambassador of Socialist
Republic of Viet Nam to Indonesia
Viet Nam

The East Asia Vision Group (EAVG) II Report: Realising an East Asia Economic Community¹ by 2020

EXECUTIVE SUMMARY

1. The EAVG I was launched against the backdrop of the 1997 Asian financial crisis. East Asian nations then felt the need to mutually cooperate in overcoming the crisis, which served as a momentum to recognise an East Asian identity. As a result, East Asian nations institutionalised cooperation in political-security, economic-financial, socio-cultural realms, and began the process of building an East Asia community.

2. The EAVG II took stock of all of the ASEAN Plus Three (APT) cooperation activities and evaluated how these activities have contributed to developing the APT cooperation and community-building in East Asia. Based upon such stock-taking, the EAVG II studied the future direction of the APT cooperation mechanism, and also prepared a new vision for regional cooperation and community building.

3. The EAVG II recognises that the APT cooperation showed significant progress during the last decade. The core focus of cooperation in the political and security area was confidence-building, which helped to build the spirit of cooperation among participating countries. Cooperation in the economic and financial area has been the most advanced and has achieved many tangible results. Much progress has also been made in the area of socio-cultural cooperation.

4. The EAVG II recognises that there still remain many challenges, such as territorial disputes, an arms race, the proliferation of weapons of mass destruction and non-traditional security issues that could seriously undermine peace and stability in East Asia. The EAVG II also recognises many new economic challenges such as the shrinking demand from outside the region and instability of the international financial market after 2008 global financial crisis. The EAVG II is concerned with socio-cultural challenges such as increase of aging population, decline of working age population, along with the growing development gap in the region and environmental challenges. In addition, the EAVG II recognizes the cross-cutting challenges such as natural disasters in which all the dimensions of political-security, economic-finance, and socio-cultural cooperation are connected.

5. Faced with the challenges, the EAVG II recommends the realisation of an East Asia Economic Community by 2020 as the main pillar of our new vision. The East Asia Economic Community will be composed of four key elements: (i) single-market and production base; (ii) financial stability, food and energy security; (iii) equitable and sustainable development; and (iv) constructive contribution to the global economy. Our new vision, however, is not limited to the creation of the East Asia Economic Community. We need to enhance efforts of cooperation in political-security, as well as social-cultural areas. EAVG II also recognises the importance of cross-sectoral cooperation.

¹ It is the understanding of the EAVG II that the term "East Asia Economic Community" will be and remain an inter-governmental entity. It does not mean or imply that members of this community would be required to transfer any competence to any entity that may be created by the community. The General Principles outlined in Section IV of the Introduction remain applicable in the development of the East Asia Economic Community, in particular, the mutual respect for independence, sovereignty, equality, territorial integrity and national identity.

KEY RECOMMENDATIONS

6. The EAVG II makes the following recommendations for the realisation of an East Asia Economic Community by 2020:

Cross-sectoral Cooperation

- Promotion of regional connectivity in East Asia;
- Closer cooperation on disaster prevention and management;
- Undertaking of strategic programmes to produce a qualified, competent and well-equipped labour force;
- Narrowing the development gap through various economic development initiatives to contribute towards poverty alleviation; and
- Engagement of various stakeholders to reflect their views in the process of East Asia community building.

Political and Security Cooperation

- Promotion of good governance, strengthening of the rule of law, and promotion and protection of human rights through policy dialogue and capacity building activities;
- Enhanced cooperation in disarmament and non-proliferation of weapons of mass destruction and their means of delivery and related materials; and
- Enhanced cooperation in addressing non-traditional security issues, particularly counter-terrorism, cybercrime, drug and human trafficking, and maritime security.

Economic Cooperation

- East Asia's proactive support for the establishment of a free trade area under the Regional Comprehensive Economic Partnership (RCEP).
- Establishment of a region wide mechanism building on the ASEAN Single Window, once it is established, to integrate the trade-related windows of East Asian countries into a single unit;
- Conducting of a study on establishing an East Asia Infrastructure Investment Fund to expand private sector investment on infrastructure in East Asia;
- Conducting of a study to establish an appropriate mechanism to facilitate and coordinate efforts of promoting trade and investment;
- Conducting of a study to explore the usefulness of the establishment of an East Asia monetary fund;
- Expansion of issuance of government and corporate bonds denominated in local currency and strengthened function of Credit Guarantee and Investment Facility(CGIF);
- Expansion of the coverage of the APT Emergency Rice Reserve(APTERR) to include other staple food in times of emergency;
- Strengthening of cooperation efforts in the efficient supply and use of natural resources, energy saving practices, oil stockpiling, civilian use of nuclear energy, and development of green technology; and
- Creating of an East Asia Comprehensive Technology Research Institute.

Socio-cultural Cooperation

- Strengthening of joint R&D activities to further improve public health services of the region;
- Making greater efforts to reduce polarisation pertaining to urban-rural areas, domestic-external sectors, and large-small and medium sized companies;
- Joint efforts to address issues regarding regulation of migrant workers taking into account the fundamental rights and dignity of migrant workers without undermining the application by the receiving states of their laws, regulation and policies;
- Cooperation in improving access to education to help children complete primary education and to increase secondary school enrollment rates in less-developed countries;
- Facilitation for the leading universities in the region to establish a network of East Asian universities based on the ASEAN University Network platform;
- Reducing of the digital divide by more-advanced countries in the region offering comprehensive ICT training programmes to less-developed countries;
- Making efforts in forest cooperation through sound forest policies, proven technologies, research, community projects and education in the context of sustainable forest management;
- Sharing of information on water resources management and coordinate policies together;
- Establishment of an Asian edition of UNESCO, to foster education and science and ensure the preservation of the historic sites and rich cultural heritage of the East Asia region;
- Strengthening of people-to-people connectivity through joint tour programmes, promotion of intra-regional travel through visa facilitation, as well as an East Asian volunteers' programme;
- Strengthening of cooperation of East Asian public broadcasting stations; and
- Increase of the support of East Asian nations for East Asian Studies at major universities.

Institutional Arrangements

- Review and streamlining of existing mechanisms to pursue East Asia community building in an effective manner;
- Further strengthening of the ASEAN Secretariat to better facilitate ASEAN Plus Three cooperation; and
- More and effective coordination between the ASEAN and the Trilateral Cooperation Secretariats.
- Strengthening of the APT Cooperation Fund and establishing of new funding mechanisms.



The East Asia Vision Group (EAVG) II Report: Realising an East Asia Economic Community¹ by 2020

Introduction

I. Mandate of the EAVG II

1. The East Asian Vision Group (EAVG) I, which was tasked to draw up a vision for mid-to-long term cooperation in East Asia, presented to the ASEAN Plus Three (APT) Summit in 2001 its final report titled “East Asia community of Peace, Prosperity and Progress,” which laid a solid groundwork for the future direction of East Asian regional cooperation.

2. Taking into account that 2011 marks the 10th anniversary of the EAVG Final report and that 2012 marks the 15th anniversary of APT cooperation, the Republic of Korea (ROK) proposed to set up the EAVG II at the 2010 Ha Noi APT Summit to review and assess all cooperation activities implemented/being implemented within the framework of APT, and carefully reflect on the future direction of the APT process and regional cooperation in East Asia. The APT Leaders welcomed the proposal of the ROK and agreed to “task relevant officials to implement this initiative.” The Terms of Reference of the EAVG II appears as **ANNEX A**.

3. Carrying out the above mandate, the ASEAN Member States, China, Japan and the ROK have appointed their Eminent Representatives to participate in the EAVG II (List of the Eminent Representatives appears as **ANNEX B**) and Supporting Experts (**ANNEX C**). The EAVG II held four Meetings in the ROK, Viet Nam, Japan and Indonesia, respectively under the co-chairmanship of the chair of ASEAN (Indonesia in 2011 and Cambodia in 2012) and the ROK.

4. The EAVG II took stock of all of the APT cooperation activities and evaluated how these activities have contributed to developing the APT cooperation and community-building in East Asia.

¹ It is the understanding of the EAVG II that the term “East Asia Economic Community” will be and remain an inter-governmental entity. It does not mean or imply that members of this community would be required to transfer any competence to any entity that may be created by the community. The General Principles outlined in Section IV of the Introduction remain applicable in the development of the East Asia Economic Community, in particular, the mutual respect for independence, sovereignty, equality, territorial integrity and national identity.

5. Based upon such stock-taking, the EAVG II studied the future direction of the APT cooperation mechanism, and also presented a new vision of regional cooperation and community building. The EAVG II is mandated to submit its Final Report to the APT Commemorative Summit in 2012 in Cambodia.

II. Assessment of the Past Decade and New Challenges

6. The EAVG I was launched against the backdrop of the 1997 Asian financial crisis. East Asian nations then felt the need to mutually cooperate in overcoming the crisis, which served as a momentum to recognise an East Asian identity. As a result, East Asian nations institutionalised cooperation in the political-security, the economic-financial, and the socio-cultural realms, and began the process of community-building in East Asia.

7. As we can see from the results of stock-taking which appears as **ANNEX D**, efforts towards building an East Asia community recommended by the EAVG I showed significant progress during the last decade.

7.1 While the core focus of cooperation in the political and security area remains primarily on confidence-building, the APT process has helped to build the spirit of cooperation among participating countries. These countries also recognised the importance of regional cooperation to tackle non-traditional security issues. In this regard, more opportunities could be pursued by the APT countries in this area. The APT countries recognise the importance of maintaining and enhancing peace and stability in the region and are striving to strengthen cooperation to deal with emerging challenges to peace in both traditional and non-traditional security issues.

7.2 Cooperation in the economic and financial fields has been the most advanced and has achieved many tangible results. Under the mid-to-long term East Asia Study Group (EASG) recommendations for the creation of a regional financing facility, a number of specific measures were discussed and implemented through the APT Finance Ministers' Meeting. As a result, the Chiang Mai Initiative has now evolved into a multilateral swap system. The APT Macroeconomic Research Office (AMRO) was established in May 2011 in Singapore to monitor, assess, and report on the macroeconomic status and financial soundness of the APT region. Furthermore, the Asian Bond Markets Initiatives (ABMI) New Roadmap+ has been adopted to facilitate the utilisation of savings for growth. The Credit Guarantee and Investment Facility (CGIF) was also established in May 2011 as a regional credit guarantee and investment trust fund in Asia to boost long-term investment in the region.

7.3 Much progress has also been made in the field of socio-cultural

cooperation, especially in the areas such as health, education, and environment. In health, the APT Emerging Infectious Disease Programme was developed to reduce the impact of emerging and re-emerging infectious diseases in the region. One of its key initiatives, the APT Partnership Laboratories, was established in 2009 and aims to further strengthen the laboratory surveillance and networking on health issues within the region. The APT cooperation in education was given a recent boost with the convening of the inaugural APT Education Ministers' Meeting, to be held bi-annually, in 2012. We should continue to build on such progress.

8. The achievements highlighted above are attributable to the efforts and commitment of all countries in East Asia as well as to the central role of ASEAN in the process. The progress made in the past decade, however, has yet to establish an East Asian identity and deepen regional integration that would realise the vision of an East Asia community of peace, prosperity and progress, as presented by the EAVG I.

9. The EAVG II recognises that peace and stability were shared desire. Nevertheless, there still remain many challenges, such as territorial or border disputes, an arms race, the proliferation of weapons of mass destruction and non-traditional security issues that could seriously undermine regional peace and stability.

10. The EAVG II also recognises many new economic challenges. With its high dependence on the global market, the East Asian economy is faced with shrinking demand from the industrialised world and instability of the international financial market after the 2008 global financial crisis.

11. The EAVG II is also concerned that East Asia's economic growth will gradually slow down as the aging population increases, the working age population declines, and the demand for welfare increases. At the same time, it takes a long time to narrow the development gap within and between the East Asian countries. The scarcity and depletion of natural resources for economic development also constitute a challenge. Environmental challenges that are derived from both the low level of economic development and rapid industrialisation in the region would require a decades-long task of sustainable development in the region.

12. In addition, East Asia could strengthen cooperation in disaster management, given the recent natural disasters in the region such as the earthquake and tsunami in Japan and the floods in many countries, especially in Cambodia and Thailand in 2011. Initiatives to promote sustainable development and attaining the Millennium Development Goals should also be emphasised. Social changes, such as migration and urbanisation are rapidly turning into pressing challenges to countries in East Asia, and the issues of water resource management, food security, energy security, climate change, and transnational crimes demand special attention.

III. The New Vision

13. Faced with the above challenges, the EAVG II recommends the realisation of the East Asia Economic Community by 2020 as the main pillar of our new vision. Based on the on-going efforts of ASEAN to realise the ASEAN Economic Community by 2015, the successful launching of the Chiang Mai Initiative Multilateralisation (CMIM) and the APT Macroeconomic Research Office (AMRO) and other efforts of financial stabilisation, and the prospect of trade-liberalisation with the start of the negotiations of the Regional Comprehensive Economic Partnership (RCEP), East Asia is now ready to design and establish an East Asia Economic Community that manages the efforts of cooperation in trade, finance, investment, and equitable and sustainable development. The EAVG II therefore recommends that East Asian nations start the wide-ranging efforts as outlined below for the establishment of the East Asia Economic Community by 2020. East Asia needs to exert greater efforts to maintain peace and stability and ensure progress and development in the region.

14. At the same time, East Asia cooperation should build upon the central role of ASEAN which remains as the key driving force of the East Asia community building process.

15. Our new vision, however, is not limited to the creation of the East Asia Economic Community. We need to enhance efforts of cooperation in the political-security, as well as the social-cultural areas. The EAVG II also recognises the importance of cross-sectoral cooperation as outlined in the next section.

16. To promote community building in East Asia, the EAVG II proposes an approach that pertains to the following three pillars:

Political-Security Pillar

16.1 It is important to deepen political and security cooperation in East Asia. This region requires intensified and enhanced efforts to promote common values and norms on political and security issues building upon the Treaty of Amity and Cooperation in Southeast Asia (TAC), the United Nations Charter and relevant international law subscribed by East Asian countries. In this regard, the EAVG II proposes to prioritise cooperation to promote good governance, strengthen the rule of law, and promote and protect human rights through policy dialogue and capacity building activities.

16.2 The EAVG II further recognises the importance of maintaining peace and stability to ensure progress and development in the region. In this connection, the EAVG II proposes to strengthen policy dialogue and capacity building activities in the political and security. The EAVG II further proposes to enhance security cooperation such as non-traditional security issues particularly on counter-terrorism, cybercrimes and maritime security.

Economic Pillar

- 16.3 In order to realise the long-term goal of community-building in East Asia, the EAVG II proposes to establish the East Asia Economic Community which is composed of four key elements: (i) single-market and production base; (ii) financial stability, food and energy security; (iii) equitable and sustainable development; and (iv) constructive contribution to the global economy.
- 16.4 The East Asia Economic Community seeks to create a single-market and production base through the establishment of the RCEP. The RCEP will contribute to expanding intra-regional trade in goods and services, and investment, as well as making the region an attractive investment area.
- 16.5 The CMIM, AMRO, and ABMI should continue to be strengthened to serve as a financial safety-net in time of regional and global crises. The possibility of establishing an East Asia monetary fund should be studied. There will be an expansion of local currency bond markets for the purpose of fully utilising regional savings. The local currency market should be enhanced to promote long-term investments and foster domestic consumption in East Asia.
- 16.6 For the equitable economic development of the region, joint efforts could be taken to promote private sector investments into the less developed countries in the region, through the setting up of a possible East Asia Infrastructural Investment Fund (EAIIF). In addition, East Asia will put in more efforts to enhance the industrial capacity and human resource development of less-developed countries by sharing knowledge, financial resources, and technologies.
- 16.7 The East Asia Economic Community will also contribute to the global economy by continuing to open up its markets and revitalising global multilateral trade negotiations particularly the early conclusion of the Doha Development Agenda negotiations. The East Asia Economic Community will provide more support to less-developed countries in the region.

Socio-cultural Pillar

- 16.8 This pillar should be the key area of East Asia cooperation because it is for the benefit of the people who live in the region. East Asia will respond to the newly rising socio-cultural challenges by building a caring and sharing society. Human resource development is especially important as the global economy is rapidly transforming itself into a knowledge-based digital economy.

- 16.9 Human development in East Asia aims for extended life expectancy and higher standard of living. East Asia's caring and sharing society will emphasise the value of sustainable development, strengthened social protection, and closer cooperation within the region in various social policies, disaster and natural resources management, and food and health issues. East Asia will respect human rights of all genders, ages, nationalities, and physical ability and expect multinational corporations to behave in socially responsible ways.
- 16.10 The cultural heritage of East Asia should be preserved and promoted, while attempts at cultural innovations should be encouraged and pursued. East Asia should strive to become a cultural and heritage centre of the world in the 21st century.

IV. Guiding Principles

17. In order to promote community building in East Asia, the following principles should be observed:

- 17.1 Those enshrined in the United Nations Charter, Treaty of Amity and Cooperation in Southeast Asia and the universally recognised principles of international law and other relevant regional instruments;
- 17.2 Mutual respect for independence, sovereignty, equality, territorial integrity and national identity;
- 17.3 Enhancement of mutual understanding, responsibility, trust and friendship;
- 17.4 The principle of consensus and consultation in pursuing cooperation that is of mutual interest and moving at a pace comfortable to all countries;
- 17.5 The central role of ASEAN in the existing regional mechanisms and in the evolving regional architecture;
- 17.6 An open, transparent, inclusive and forward looking process towards East Asia integration;
- 17.7 The mutually reinforcing and complementary roles of the APT process, the main vehicle for regional community building and such regional fora as the East Asia Summit (EAS), ASEAN Regional Forum (ARF), Asia-Pacific Economic Cooperation (APEC) and Asia-Europe Meeting (ASEM) to promote community building in East Asia; and
- 17.8 Other guiding principles suggested by the EAVG I.

Agenda for Cooperation

I. Cross-sectoral Cooperation

1. In pursuing East Asia integration, the EAVG II recognises the cross-cutting challenges that could affect the community building. Hence, the EAVG II proposes the following:

- 1.1 Priority should be given to further regional connectivity in East Asia in order to contribute to community-building and to support economic development in East Asia. The objectives of the Master Plan on ASEAN Connectivity (MPAC), which aims to enhance physical, institutional, and people-to-people linkages and contribute towards ASEAN's goal of the integrated Community in 2015, should be expanded to promote regional connectivity in East Asia. The Plus Three countries should contribute to the realisation of the MPAC and assist in its implementation.
- 1.2 Cooperate more closely on disaster prevention and management. The EAVG II encouraged regional cooperation in the fields of emergency preparedness, humanitarian assistance and disaster relief with the focus on the most vulnerable people, through the implementation of the ASEAN Agreement on Disaster Management and Emergency Response (AADMER), including strengthening the ASEAN Coordinating Centre for Humanitarian Assistance on Disaster Management (AHA Centre), sharing experiences and lessons learned, conducting training and capacity building. Extending mechanisms and experiences of ASEAN to the Plus Three countries will enhance region-wide cooperation.
- 1.3 Ensure that human resources are well-prepared for and benefit from East Asia integration by undertaking strategic programmes to produce a qualified, competent and well-equipped labour force;
- 1.4 Focus on narrowing the development gap within and between countries in the region through various economic development initiatives, including growth areas, as it would in turn contribute towards poverty alleviation; and
- 1.5 Engage various stakeholders, including governments, businesses, scholars and civil societies to reflect their views in the process of East Asia community building.

II. Political and Security Cooperation

A. Political Cooperation

2. The EAVG II emphasises the need to promote common values and norms as enshrined in the Treaty of Amity and Cooperation in Southeast Asia, the

United Nations Charter, and relevant international law subscribed by East Asian countries.

3. The EAVG II supports the strengthening of the framework for building mutual understanding, confidence and solidarity, including the ensuring of peaceful settlement of disputes and renunciation of the threat of use of force. The East Asian countries could develop further in a transparent manner exchanges on their strategic outlooks, as well as assessments of national and regional developments.

4. The EAVG II proposes further the promotion of cooperation in the area of good governance, including strengthening the rule of law as well as enhancing administrative effectiveness, efficiency, and transparency, through policy dialogue and capacity building activities.

5. The EAVG II encourages closer cooperation on the promotion and protection of human rights.

6. The EAVG II underscores the importance to the Global Movement of Moderates (GMM) approach as more concrete actions should be taken in the future to spearhead programmes and events to further advance peace, security and harmony in order to promote moderation in both regional and international arena.

7. East Asia should strengthen engagement and collaboration with other countries in the region including through mechanisms and frameworks, such as the ARF, the ASEAN Defense Ministerial Meeting Plus (ADMM-Plus) and the EAS, which are complementary and mutually reinforcing.

8. East Asia should also strengthen its engagement at the global level by enhancing its participation through inter-regional cooperation, such as the APEC and the G-20 and others as well as by promoting interaction with other regional groupings through appropriate mechanisms such as ASEM and Forum for East Asia – Latin America Cooperation (FEALAC).

B. Security Cooperation

9. The EAVG II urges East Asia to step up its security cooperation efforts in both traditional and non-traditional security issues.

10. The region's waters serve as routes for half of the world's trade. Therefore, maintaining maritime security, stability and freedom of navigation is crucial to peace and prosperity of East Asia, and the world at large. At the same time, maritime conflict and oceanic pollution will destroy the region's rich repository of natural resources. The EAVG II thus urges East Asia to enhance cooperation by undertaking concerted efforts, including developing regional codes of conduct to ensure maritime security, promoting freedom of navigation, preventing maritime conflicts, and protecting the oceanic environment.

11. East Asia should also enhance cooperation in disarmament and the non-proliferation of weapons of mass destruction and their means of delivery and

related materials.

12. Non-traditional security issues such as transnational crimes including cybercrime, drug trafficking and human trafficking are becoming major threats to East Asia. In order to protect and improve both the human and national security of countries in the region, the EAVG II proposes that East Asia continues to enhance cooperation in addressing non-traditional security issues in a comprehensive manner through existing mechanisms.

13. The development gap and income disparities unleash the problems of human trafficking in East Asia. Human trafficking not only violates the individual rights of victims, encourages corruption, and increase transnational crimes, but also hinders the East Asia community building process by distorting people-to-people relationships. In this regard, the EAVG II calls for a concerted effort towards preventing human trafficking.

III. Economic Cooperation

A. Single Market and Production Base

14. The expansion of trade and investment has played a crucial role in the economic growth of the region. In the trade area, the APT now accounts for a quarter of global GDP, as well as a quarter of global trade, while one third of the entire APT trade is intra-regional. With economic stagnation in the developed world, East Asia should increase its intra-regional trade and investment further through institutional integration that eliminates tariff and non-tariff barriers.

15. In order to expand intra-regional trade and to avoid negative impacts caused by the entangled web of bilateral and sub-regional FTAs, the EAVG II recommends East Asia to proactively support the establishment of a free trade area under the RCEP, which will, among others, increase the market access for less-developed countries in the region.

16. East Asia needs to speed up its efforts to enhance trade efficiency and competitiveness through effective trade facilitation programmes. In this context, the EAVG II recommends a region-wide mechanism building on the ASEAN Single Window, once it is established, to integrate the trade-related windows of East Asian countries into a single unit in order to facilitate custom clearances and reduce transaction costs.

17. Productivity of the industries in East Asia will be further improved by the promotion of investment activities within East Asia to create a diversified and dynamic production base and through improving the business environment. The improvement of East Asia's investment climate will lead to an investment expansion.

18. For less-developed countries in the region, infrastructural development is the key in attracting investment. The EAVG II, therefore, finds it crucial to study establishing an East Asia Infrastructure Investment Fund (EAIIIF) to expand

private sector investment in infrastructure in East Asia and utilise savings in the region with the view to enhancing regional connectivity.

19. China, Japan, and the ROK are each operating ASEAN Centres in order to encourage their domestic companies to invest in ASEAN. The EAVG II recommends that the Plus Three countries establish channels for mutual connection among the ASEAN Centres to strengthen their cooperation.

20. In order to facilitate and coordinate the above efforts of promoting trade and investment, reducing barriers, harmonising regulations, and planning and implementing development assistance, the EAVG II recommends a study to establish an appropriate mechanism.

B. Financial Stability

21. The Chiang Mai Initiative Multilateralisation (CMIM), as a regional financing facility, is one of the successful recommendations made by the EAVG I that were carried out during the last decade. In order to further strengthen the function of financial stabilisation, the EAVG II recommends a study to explore the usefulness of the establishment of an East Asia monetary fund.

22. The ABMI has contributed to the development of local currency bond markets, which enable East Asia to use its domestic savings productively for long-term investment. The EAVG II calls for the expanded issuance of government and corporate bonds denominated in local currency and the strengthened function of the Credit Guarantee and Investment Facility (CGIF), so that East Asia can achieve a more balanced growth.

C. Food Security

23. By 2030, the population in Asia will be over 3 billion. The increase in income in this region will stimulate more demand for food. Given the fluctuations in the weather around the world, East Asia should have a strong mechanism to ensure the stability of the supply of food in the region. East Asia is operating the APT Emergency Rice Reserve (APTERR) to meet the emergency requirements of the region. The EAVG II recommends that East Asia expand the coverage of the APTERR to include other staple food in times of emergency.

24. The EAVG II recommends stronger cooperation on food supply by improving the productivity of the agricultural industry. Developing high yielding varieties and technologies will stabilise the food supply. There is also a need to recognise the importance of maritime resources and to ensure the safe, stable and sustainable supply of fisheries stocks in the East Asia region.

D. Energy Security

25. Energy security has also become more challenging as the demand for energy grows and the supply of energy becomes less certain. East Asia should strengthen the Energy Security Forum (ESF) to coordinate the optimum

management of energy supply facilities, including the collection and sharing of information on the energy market, energy saving technology and alternative energy, to ensure the stability of its supply and demand in the region.

26. The rapid industrialisation and income growth of emerging economies are accompanied by the exploitation of natural resources as demand for natural resources increases. Increasing demand for natural resources will also raise the price imposing a huge economic burden on the East Asian region. The EAVG II urges East Asia to step up its cooperation efforts in the efficient supply and use of natural resources, energy saving practices, oil stockpiling, civilian use of nuclear energy, and development of green technology.

E. Equitable and Sustainable Development

27. Equitable economic development and narrowing the development gaps among and within countries in East Asia are necessary not only for the creation of the East Asia community but also for maintaining peace and stability in the region. Balanced growth not only allows the people of less-developed countries to benefit from the growth of East Asia, but also enables the people of developed countries to benefit from increasing regional demand. In order to achieve a balanced growth, East Asia needs to cooperate in improving the industrial capacity and human resources of less-developed countries by sharing knowledge on development and promoting investment in a responsible manner.

28. As East Asia brings down its trade and investment barriers, economies in the cross-border areas will have a better chance to grow. The EAVG II, therefore, urges active participation of developed countries and private sectors in the development of resources and infrastructure in cross-border areas.

29. The EAVG II recommends that East Asia strengthen its cooperation on sustainable development and create an East Asia Comprehensive Technology Research Institute (EACTRI), which will be jointly operated by East Asian countries to develop new technologies to facilitate the structural transformation and to improve absorption capacities of less-developed countries. The EACTRI may be located in a middle-income country in the region to act as a bridge between the developed and the less-developed countries.

F. Active Engagement with the World Economy

30. East Asia's economic development since the 1960s was prompted by the liberalisation of the global trading system. Since the 2008 financial crisis, however, protectionist tendencies and over-intensified competition have been working as hindrances to the continued growth of world trade. As a major beneficiary of the liberalised global trading system, East Asia should proactively contribute to the development of the global trading system.

31. The EAVG II calls for East Asia's proactive participation in revitalising global multilateral trade negotiations, particularly the early conclusion of the Doha Development Agenda negotiations. At the same time, East Asia is encouraged to

render more efforts to open up its markets.

32. By 2020, East Asia is expected to produce around a third of the world's GDP. To play a major important role in the global stage, the EAVG II recommends that the East Asian countries closely coordinate and provide more support and assistance to the less-developed countries in the region and the world at large.

33. East Asia's proactive response to climate change signifies its willingness to fulfill global obligations and commitments and contribute to the sustainable development of the world. Therefore, the EAVG II calls for closely coordinated efforts, together with the international society, to reduce Green House Gases and joint endeavors towards developing and transferring green technologies.

IV. Socio-Cultural Cooperation

A. Human Development

34. Despite significant improvements in the field of public health, more efforts should be undertaken to reduce maternal and infant mortality. Considering the high mortality rates and the continuous spread of pandemics, HIV/AIDS and malaria in the less-developed countries, the EAVG II recognises the necessity for strengthened joint R&D activities to further improve public health services of the region.

35. The rapid economic development of East Asia has been accompanied by severe social problems, such as a rise in inequality within and between countries, an aging population, and urban congestion. Faced with these social problems, East Asian countries need to enhance and improve social welfare and protection mechanisms.

36. The EAVG II recommends that East Asian nations make great efforts in reducing polarisation pertaining to urban-rural areas, domestic-external sectors, and large-small and medium sized companies. Polarisation has harmed particularly women, youth, elderly and disabled. Thus, more effective social policies should be implemented to protect the weak and the vulnerable.

37. The aging population can deteriorate the economic dynamism of the region and increase the demand for welfare spending. A low birth rate which rapidly disintegrates the traditional family system is another concern in East Asia. To effectively respond to these demographic problems, the EAVG II urges East Asia to strengthen its demographic policy cooperation including information sharing and joint research.

38. The EAVG II believes that East Asia should promote corporate social responsibility. Especially in Southeast Asia, multinational corporations are encouraged to be socially responsible in terms of technology transfer and contribution to the development of the local economy.

39. Freer movement of labour will play a positive role in improving economic efficiency. However, low-skilled migrant workers are often employed in declining industries and manual labor under insecure conditions. The EAVG II calls for joint efforts for the receiving states and the sending states to address issues regarding the regulation of migrant workers taking into account the fundamental rights and dignity of migrant workers without undermining the application by the receiving states of their laws, regulation and policies.

B. Education and Training

40. The EAVG II urges East Asian nations to cooperate in improving access to education to help children complete primary education and to increase secondary school enrollment rates in less-developed countries. At the same time, provision of quality education leads to human resources development, which is the foundation of equal economic opportunity and continued economic development.

41. The EAVG II recommends that East Asian governments encourage and facilitate the leading universities in the region to establish a network of East Asian universities based on the ASEAN University Network platform. This network will play a role in improving university-level curricula in less-developed countries and reduce the quality gap between educational institutions in the region. This network could include student and credit exchange programmes.

42. In the age of the knowledge economy, reducing the digital divide is of great importance, particularly for less-developed countries. Therefore, the EAVG II urges more-advanced countries in the region to offer comprehensive ICT training programmes to less-developed countries.

43. The uneven economic growth across geographical areas brings about discrepancies in the wage rate and labour migration across the region. The improvement of skills and the management of migration, both skilled and unskilled labour, will ensure the human development in the region.

C. Environment and Climate Change

44. Environmental problems caused by natural disasters, rapid industrialisation and urbanisation call for East Asia's increased efforts to protect the ecosystem and devise environment-friendly development strategies.

45. A green growth strategy can make economic growth more energy efficient. This will enable East Asia to combat climate change and protect its environment, while promoting economic development. The EAVG II recommends that East Asian nations put more efforts to the development of green growth strategies that include green technology innovations and increased production and consumption of green products.

46. The EAVG II acknowledges that the protection of the ecosystems in the East Asia region will become a matter of growing concern caused by the rapid industrialisation of the region. The EAVG II underscores the importance of all

types of forests in their contribution to socio-economic development, environmental protection and biodiversity conservation at the national, regional and global levels. To this end, East Asia should foster greater efforts in forest cooperation through sound forest policies, proven technologies, research, community projects and education in the context of sustainable forest management.

47. Instability in the global ecosystem has caused frequent floods and droughts, while industrialisation has led to an increased demand for water resources. Moreover, issues related to the use of water resources originating from international rivers are complex problems. To prevent insufficient or unstable water resources from becoming a permanent economic problem of the region, the EAVG II urges that East Asia should share information on water resources management and coordinate policies together.

48. Cross-border environmental problems have negative impacts on the quality of life and have become too complex to be handled by individual countries. The EAVG II recognises that continued and enhanced joint efforts by East Asia are necessary to solve transnational environmental problems, such as haze in Southeast Asia and yellow dust in Northeast Asia.

D. Building an East Asian Identity

49. The EAVG II underscores the importance of consolidating the East Asian identity and hence recommends for joint efforts by cultural and educational organisations to foster a stronger sense of identity and community through the exchange of experts and expansion of such networks. The EAVG II also proposes for the establishment of an Asian edition of UNESCO, to foster education and science and ensure the preservation of the historic sites and rich cultural heritage of the East Asia region.

50. The EAVG II recommends that East Asia strengthen its cultural cooperation so as to increase awareness on the region's rich cultural heritage. East Asian countries shall further share their common identity through deeper knowledge of regional history and broader cultural exchanges.

51. The EAVG II believes that intra-regional tourism, including joint tour programmes, is an important way of increasing people-to-people connectivity. East Asian countries are, therefore, recommends the promotion of intra-regional travel through visa facilitation.

52. To contribute to people-to-people connectivity, the EAVG II recommends an East Asian volunteers' programme that could encourage people in East Asia to serve countries in the region.

53. Media connectivity in East Asia serves as a shortcut to mutual understanding. The EAVG II thus proposes to strengthen cooperation of East Asian public broadcasting stations. The exchange of programmes and co-production would facilitate communication among East Asians and contribute to

the creation of common identifiers of an East Asian culture.

54. The EAVG II recommends that East Asian nations increase their support for East Asian Studies at major universities. Knowledge on the region's history, languages, politics, economy, culture, and society would deepen mutual understanding and build a stronger East Asian identity.

V. Institutional Arrangements

55. In order to pursue East Asia community building in an effective manner, the EAVG II proposes that existing mechanisms be reviewed and streamlined. In this respect, the EAVG II recommends further strengthening of the ASEAN Secretariat to better facilitate ASEAN Plus Three cooperation, and more and effective coordination between the ASEAN and the Trilateral Cooperation Secretariats.

56. Given the changing regional and global environment and the increasing pace of regional integration in East Asia, there is a need to accelerate and intensify the cooperation activities in various areas. In addition, ASEAN Plus Three countries should also consider appropriate mechanisms to accomplish this vision.

57. In line with the above, a professional study should be conducted to:

- a) Assess the performance of the existing coordination and management arrangements in cooperation activities with regard to the four coordination functions:
 - i. Among ASEAN Plus Three countries in each area;
 - ii. Across areas at the regional level;
 - iii. Among the stakeholders; and
 - iv. With the major non-East Asian countries.
- b) Determine the coordination and management system of these areas of cooperation, given the constraints of funding and limitations of the ASEAN Secretariat and the best practices in the international organisations and private sector.
- c) Strengthen and expand the East Asia Forum (EAF) as a connectivity hub among various stakeholders involving business, governments, NGOs, and scholars.

58. The private sector should be given the opportunity to participate in determining the direction of future cooperation activities. They should also consider supporting the implementation of this vision through appropriate means.

59. The EAVG II recommends strengthening the APT Cooperation Fund and establishing new funding mechanisms.



Terms of Reference of the East Asia Vision Group II

I. Background

1. With a strong track record of cooperation over the past 14 years, ASEAN Plus Three has evolved into one of the most institutionalized regional mechanisms, making great contributions to East Asia in its march toward a community.
2. The East Asia Vision Group (EAVG), which was tasked to draw up a vision for mid-to-long term cooperation in East Asia, presented to the ASEAN Plus Three Summit in 2001 its final report titled "East Asia community of Peace, Prosperity and Progress", which laid a solid groundwork for the future direction of East Asia regional cooperation. Carrying the vision set forth by EAVG, the East Asia Study Group (EASG) recommended 26 projects in 2002 to be pursued for building East Asia community. Building upon the groundwork laid by EAVG and EASG, ASEAN Plus Three has undertaken a variety of projects over the past decade.
3. Taking into account that this year marks the 10th anniversary of the EAVG final report and next year marks the 15th anniversary of ASEAN Plus Three, it would be timely and relevant to review and assess all of the cooperation works implemented/being implemented in the framework of ASEAN Plus Three - their achievements and challenges - and carefully reflect on the future direction of ASEAN Plus Three process and regional cooperation in East Asia.
4. To that end, the Republic of Korea has proposed to set up the East Asia Vision Group II at the 2010 Ha Noi ASEAN Plus Three Summit. The ASEAN Plus Three leaders welcomed Korea's proposal and agreed to "task relevant officials to implement this initiative".

II. Purpose and Role

5. The EAVG II (hereinafter referred to as "Group") will take stock of all of the ASEAN Plus Three cooperation activities, which includes the progress in the implementation of the ASEAN Plus Three Cooperation Work Plan(2007-2017) and projects recommended by the EAVG and EASG. The Group will evaluate how these cooperation activities have contributed to developing the ASEAN Plus Three mechanism and building a community in East Asia.

6. Based on such stock-taking, the Group will study the future direction of the ASEAN Plus Three mechanism: identify promising areas and explore new areas of ASEAN Plus Three cooperation. The group will also study a new vision of regional cooperation and community building with consideration of mutually reinforcing and complementary roles of the ASEAN Plus Three process and such regional mechanism as EAS in promoting East Asian community building, based on the principle of ASEAN Centrality.

III. Organization and Operation

7. The Group will be composed of representatives from ASEAN Plus Three countries. Each government will appoint one eminent representative. One ASEAN Secretariat representative appointed by ASEAN Secretary General will also join the Group. Each representative may designate one expert who will support his/her activities in the Group.
8. The Group may consider holding a separate session back-to-back with its meeting, to discuss with experts or resource persons, including those from non-ASEAN Plus Three countries upon consensus of ASEAN Plus Three countries.
9. The ASEAN Member State assuming the Chairmanship of ASEAN and one of the Plus Three countries shall co-chair the meetings. The Plus Three country co-chair shall be selected by the Plus Three countries. The co-chairs shall prepare the agenda for the meeting.
10. The Group may meet four times prior to the 15th ASEAN Plus Three Summit in 2012. The first meeting is expected to be held in Seoul during the second half of the year 2011. The succeeding meetings will be held alternatively once in one of the ASEAN member countries and then in one of the Plus Three countries. The agenda and procedural rules will be determined at the first meeting.
11. The costs of international travel and accommodations for those referred to in Paragraph 7, as well as the administrative cost of the meeting will be borne by the ASEAN Plus Three Cooperation Fund. For the first meeting, the Republic of Korea will bear the above mentioned costs of the meeting.

IV. Time Frame

12. Each ASEAN Plus Three country will appoint its eminent representative to the Group by the end of the first half of the year 2011.

13. The Group will remain operative until the 15th ASEAN Plus Three Summit in 2012 in Cambodia. The Group will report its progress to the 14th ASEAN Plus Three Summit in 2011 in Indonesia and submit its final report to the 15th ASEAN Plus Three Summit in 2012.

/END/

**LIST OF EMINENT REPRESENTATIVES
TO THE EAVG II AND THEIR BIOGRAPHIES**

I. BRUNEI DARUSSALAM

H.E. Dato Erywan Pehin Yusof Dato Erywan Pehuin Yusof is the Permanent Permanent Secretary, Ministry of Foreign Affairs and Trade of Brunei Darussalam Secretary, Ministry of Foreign Affairs and Trade of Brunei Darussalam. He completed his combined Degree with Honours in Genetics and Biophysics at Leeds University and his MSc in Genetics and its Application at the University Colleague Sweansea in the UK.

II. THE KINGDOM OF CAMBODIA

H.E. Meas Kim Heng H.E. Meas Kim Heng is currently the Advisor to Deputy Prime Minister, Minister of Foreign Affairs and International Cooperation of the Kingdom of Cambodia Advisor to Deputy Prime Minister, Minister of Foreign Affairs and International Cooperation of Cambodia. His last assignments were as Ambassador Extraordinary and Plenipotentiary of Cambodia to Australia and New Zealand from 2004-2008. He was Director-General of Directorate-General of ASEAN Affairs from 1999-2004 and Director of Asia and Oceania Department from 1994-1995. He also served at the Royal Embassy of Cambodia in Washington, DC from 1995-1999.

III. THE REPUBLIC OF INDONESIA

H.E. Jusuf Wanandi Mr. Wanandi is the Co-founder and Vice Co-founder and Vice Chairman, Board of Trustees of the Centre for Strategic and International Studies Foundation (CSIS) and Senior Fellow of the CSIS Chairman, Board of Trustees of the CSIS Foundation and Senior Fellow of the Centre for Strategic and International Studies (CSIS), Jakarta. Hi is Chairman of the Indonesia National Committee for Pacific Economic Cooperation Council (INCPEC) and Co-Chair of CSCAP Indonesia and Board of Trustees of the CSIS Foundation and Senior Fellow of the Centre for Strategic and International Studies (CSIS), Jakarta. Hi is Chairman of the Indonesia National Committee for Pacific Economic Cooperation Council (INCPEC) and Co-Chair of CSCAP Indonesia and concurrently member of the Steering Committee of CSCAP (Council for Security Cooperation in the Asia Pacific). He is also President Director of the publishing

company of the Jakarta Post as well as Chairman of the Board of the Prasetiya Mulya Graduate School of Management, and Chairman of the Foundation of Panca Bhakti University in Pontianak, West Kalimantan.

IV. LAO PEOPLE'S DEMOCRATIC REPUBLIC

H.E. Mr. Soubanh Srithirath
Chairman of the Lao National Commission for Drug Control and Supervision

Mr. Srithirath joined the Lao Revolutionary Forces for National Liberation in 1961. From 1974-1975, he held the position of Director of Cabinet, Ministry of Foreign Affairs of the Lao Coalition Government and from 1976—1981 he served as General Secretary, Ministry of Foreign Affairs. He also held several other positions such as Ambassador, Permanent Representative to the United Nations, New York (1981-1982); Deputy-Minister of Foreign Affairs, Responsible for International Organizations Affairs, and Western and Developing Countries. Concurrently: responsible for the Lao National Commission on the border demarcation with Myanmar (1982-1998). From 1990 up to the present, he is the Chairman of the Lao National Commission for Drug Control and Supervision.

Mr. Phongsavanh Sisoulath
Deputy Director-General, ASEAN Department, Ministry of Foreign Affairs of Lao People's Democratic Republic

Mr. Phongsavanh Sisoulath is the Deputy Director-General of the ASEAN Department, Ministry of Foreign Affairs of the Lao People Democratic Republic.

V. MALAYSIA

H.E. Dato' Kamarudin Mustafa
Former Ambassador of Malaysia to Sweden, Denmark, Iceland, and Norway

Dato' Kamarudin Mustafa had served in the Government as an Administrative and Diplomatic Officer from 1974 – 2007. He was the Undersecretary for Southeast Asia and South Asia-Pacific of the Ministry of Foreign Affairs from 1996 – 1998. His last assignment was as Ambassador of Malaysia to Sweden from 2007 – 2010. During his tenure in Government, he had served at the Missions in Islamabad, Hong Kong, Jakarta, Bandar Seri Begawan, New York, Ghana and Russia.

VI. UNION OF THE REPUBLIC OF MYANMAR

H.E. Than Tun
Member, Commission on
Assessment of Legal Affairs and
Special Issues, Pyithu Hlauttaw
(Parliament) of Myanmar

Mr. U Than Thu is now serving as a member of Pyithu Hlauttaw (Parliament) Commission of Assessment of Legal Affairs and Special Issues.

VII. THE REPUBLIC OF THE PHILIPPINES

H.E. Sonia Cataumber-Brady
Foreign Affairs Adviser,
Department of Foreign Affairs of
the Republic of the Philippines

Ambassador Sonia Cataumber-Brady is a Foreign Affairs Adviser in the Department of Foreign Affairs of the Philippines. She was Undersecretary of Foreign Affairs for Policy and SOM Leader (2003-2006), Assistant Secretary of Policy Planning and Coordination (1999-2002), Ambassador Extraordinary and Plenipotentiary to Myanmar (1995-1999), Ambassador Extraordinary and Plenipotentiary to Thailand and Permanent Representative to Economic and Social Commission for Asia and the Pacific (2002-2003), and Ambassador Extraordinary and Plenipotentiary to China, Mongolia and Democratic People's Republic of Korea (2006-2010). She holds an AB Literature Broadcast Journalism (magna cum laude) from the University of Sto. Tomas, Manila and MA in International Relations from the University of Southern California, USA.

H.E. Rosario G. Manalo
Representative to AICHR and
concurrently Senior Foreign
Affairs Advisor, Department of
Foreign Affairs of the Republic
of the Philippines

Ambassador Rosario G. Manalo is a Senior Foreign Affairs Adviser in the Department of Foreign Affairs and concurrently serves as the Philippines' Representative to the ASEAN Intergovernmental Commission on Human Rights and Philippine Representative to the Board of Governors of the Asia-Europe Foundation. She served as Ambassador Extraordinary and Plenipotentiary (AEP) to the European Economic Community (1979-1987), AEP to the Kingdom of Belgium and the Grand Duchy of Luxembourg (1985-1987), AEP to France, Portugal and UNESCO (1990-1994), AEP to Sweden, Norway, Denmark, and Finland; Estonia, Latvia and Lithuania (1994-1997), and Deputy Foreign Minister (1997-2002). She is the current Dean of the School of International Relations and Diplomacy, Philippine Women's University; Professor at

the University of the Philippines, Ateneo de Manila University, DLSU-College of Saint Benilde; Lecturer at the University of Asia and Pacific, Miriam College, and The Foreign Service Institute; and Fellow at the National Defense College of the Philippines.

VIII. THE REPUBLIC OF SINGAPORE

H.E. Chew Tai Soo
Ambassador-at-Large
Ministry of Foreign Affairs of
the Republic of Singapore

Mr Chew Tai Soo is currently Ambassador-at-Large, and concurrently, Senior Adviser, in the Singapore Ministry of Foreign Affairs. He is also Singapore's Ambassador (Non-Resident) to the Islamic Republic of Iran. Mr Chew was Singapore's Ambassador to France from 2004 to 2007. He was concurrently accredited to Spain and Portugal. Before France, Mr Chew was Ambassador to Japan from 1998 to 2004. He was the Deputy Secretary in the Ministry of Foreign Affairs and Ambassador-at-Large from 1995 to March 1998. He was Singapore's Permanent Representative to the United Nations in New York and concurrently the High Commissioner to Canada and Ambassador to Mexico from 1991 to 1995. From 1982 to 1986 he served as Singapore's Permanent Representative to the United Nations in Geneva. He joined the Singapore Ministry of Foreign Affairs in 1972 after several years in the private sector. Mr Chew graduated from the University of Manchester in United Kingdom in 1964.

IX. THE KINGDOM OF THAILAND

H.E. Dr. Suthad Setboonsarng
Former Trade Representative of
the Kingdom of Thailand

Dr. Suthad used to serve as the Thailand Trade Representative (2009-2011), a special representative of the Prime Minister in negotiation trade and investment issues with other countries and international organizations. Dr. Suthad had been working on international trade and taxes issues in ASEAN, including trade and investment strategy and policies for both the government and leading multinational corporations, especially, the automotive and consumer product industries during his term as Partner at PricewaterhouseCoopers. Dr. Suthad was recognized for his contribution in the implementation of the ASEAN Free Trade Area (AFTA), the accession of Viet Nam,

Lao PDR., Myanmar and Cambodia into ASEAN and his work in helping to set up the ASEAN cooperation in Finance in 1996.

X. THE SOCIALIST REPUBLIC OF VIET NAM

H.E. Nguyen Hoang An
Former Ambassador of the Socialist Republic of Viet Nam to Indonesia

Ambassador Nguyen Hoang An joined Viet Nam's Ministry of Foreign Affairs in 1971 after graduating from the Academy of Diplomacy. He held the position of Director-General at the Foreign Ministry until he retired in February 2009.

XI. PEOPLE'S REPUBLIC OF CHINA

H.E. Prof. Zhang Yunling
Professor, Academy Member and Director of International Studies, Chinese Academy of Social Science (CASS), President of China Association of Asia-Pacific Studies, People's Republic of China

Zhang Yunling, professor, Academy Member and Director of International Studies, Chinese Academy of Social Science (CASS), President of China Association of Asia-Pacific Studies. He is a member of National Committee of Chinese Political Consultant Conference. He is also vice Chairman of China Committee of PECC, Vice president of China-ROK Friendship Association, Board member of ERIA. He was Director of Institute of Asia-Pacific Studies from 1993-2007. He served as a member of East Asia Vision Group (2000-2001), member of Official Expert Group on China-ASEAN Cooperation (2001), member of ASEM Task Force (2003-2004), Chairman of Joint Expert Group for Feasibility Study on EAFTA (2005-2006), member of Joint Expert Group of CEPEA (2006-2009), Chairman of China-Republic of Korea Joint Expert Committee(2010-). Latest Publication: China and Asia Regionalism (English,2010), China and World: New change, understanding and Identification (Chinese, 2011)

XII. JAPAN

H.E. Dr. Tanaka Akihiko
President, Japan International Cooperation Agency

Akihiko Tanaka is the President of the Japan International Cooperation Agency (JICA). Before joining JICA in April 2012, Dr. Tanaka held multiple positions at the University of Tokyo. He served as a Professor of International Politics, Director of the Institute of Oriental Culture (from 2002-2006), Director of the International Relations Division (from 2008-2010), and Vice President (from 2009-2012).

He has been a member of various Japanese government advisory groups, including the Reform Advisory Board of the Ministry of Foreign Affairs, the Advisory Group on International Cooperation for Peace, and the Council on Security and Defense Capabilities. He was also a Japanese member of the East Asia Vision Group I. Dr. Tanaka obtained his B.A. in International Relations from the University of Tokyo in 1977 and his Ph.D. in Political Science from the Massachusetts Institute of Technology in 1981.

XIII. THE REPUBLIC OF KOREA

H.E. Dr. Yoon Young-kwan
Professor of International Relations, Seoul National University and Former Minister of Foreign Affairs and Trade of the Republic of Korea

Dr. Yoon (Ph.D., SAIS, The Johns Hopkins University) is Professor of International Political Economy at Department of International Relations, Seoul National University. After serving as Chairman of Committee of Foreign Relations, Security, and Unification of Presidential Transition Team, he served as Minister of Foreign Affairs and Trade of the Korean government (2003-04). Before he joined the faculty of Seoul National University in 1990, he taught at University of California at Davis for three years. He established and served as the president of the Korean Institute for Future Strategies and the Korea Peace Institute, private non-profit research institutes. He is currently director of the Center for International Studies, Seoul National University. He wrote several books and published about 50 articles in the field of international political economy, Korea's foreign policy, and inter-Korean relations, some of which appeared in *World Politics*, *International Political Science Review*, *Asian Survey*, *Project Syndicate*, etc.

XIV. ASEAN SECRETARIAT

H.E. Nyan Lynn
Deputy Secretary-General of the ASEAN Political-Security Department, ASEAN Secretariat

H.E. Mr. Nyan Lynn joined the Myanmar Foreign Service in 1972. Before becoming the Deputy Secretary-General of the ASEAN Political-Security Department at the ASEAN Secretariat, he was the Permanent Representative of Myanmar to ASEAN.



LIST OF SUPPORTING EXPERTS OF THE EAVG II

I. BRUNEI DARUSSALAM

1. **Ms. Jessica Tiah Hui Leng**
Second Secretary, ASEAN Department, Ministry of Foreign Affairs and Trade of Brunei Darussalam

II. THE KINGDOM OF CAMBODIA

2. **Mr. Heng Sokphal**
Deputy Director and Head of East Asia Affairs Division, ASEAN - Cambodia, Ministry of Foreign Affairs and International Cooperation, the Kingdom of Cambodia

III. THE REPUBLIC OF INDONESIA

3. **Mr. Pitono Purnomo**
Special Adviser to the Director General of ASEAN Cooperation, Ministry of Foreign Affairs, the Republic of Indonesia
4. **Dr. Ditya Agung Nurdianto**
Second Secretary and concurrently the Head of Section for the ASEAN Plus Three Cooperation, Ministry of Foreign Affairs, the Republic of Indonesia

IV. LAO PEOPLE'S DEMOCRATIC REPUBLIC

5. **Mr. Bounthala Panyavichith**
Director of External Relations Division, ASEAN-Laos, Ministry of Foreign Affairs, Lao People's Democratic Republic

V. MALAYSIA

6. **Mr. Mohd Norizam Mohd Tahil**
Director of ASEAN Economic Community Division, ASEAN-Malaysia National Secretariat

VI. UNION OF THE REPUBLIC OF MYANMAR

7. **Ms. Ni Tar Myint**
Head of Branch-2, ASEAN Affairs Department, Ministry of Foreign Affairs, Union of the Republic of Myanmar
8. **Mr. Aung Lwin**
Deputy Director of ASEAN Department of the Ministry of Foreign Affairs, Union of the Republic of Myanmar

VII. THE REPUBLIC OF THE PHILIPPINES

9. **Mr. Julio Amador III**
Foreign Affairs Research Specialist, Center for International Relations and Strategic Studies (CIRSS) of the Foreign Service Institute, the Republic of the Philippines
10. **Ms. Joycee A. Teodoro**
Foreign Affairs Research Specialist, CIRSS of the Foreign Service Institute, the Republic of the Philippines

VIII. THE REPUBLIC OF SINGAPORE

11. **Ms. Berwine Sim**
Desk Officer of the ASEAN Directorate, Ministry of Foreign Affairs, the Republic of Singapore
12. **Mr. Jaspal Dhillon**
Desk Officer of the ASEAN Directorate, Ministry of Foreign Affairs, the Republic of Singapore

IX. THE KINGDOM OF THAILAND

13. **Mr. Mongkol Visitstump**
Director of ASEAN Division II, Department of ASEAN Affairs, Ministry of Foreign Affairs, the Kingdom of Thailand
14. **Ms. Saranjit Srisarkun**
Counsellor, ASEAN Division II, Department of ASEAN Affairs, Ministry of Foreign Affairs, the Kingdom of Thailand
15. **Mr. Pichaya Lapasthamrong**
Third Secretary, ASEAN Division II, Department of ASEAN Affairs, Ministry of Foreign Affairs, the Kingdom of Thailand

X. THE SOCIALIST REPUBLIC OF VIET NAM

16. **Mr. Tran Duc Binh**
Deputy Director-General, ASEAN Department, Ministry of Foreign Affairs, the Socialist Republic of Viet Nam
17. **Mr. Phan Minh Giang**
Director of the Division for ASEAN External Relations, ASEAN Department, Ministry of Foreign Affairs, the Socialist Republic of Viet Nam

XI. PEOPLE'S REPUBLIC OF CHINA

18. **Mr. Wang Yuzhu**
Professor, the National Institute of International Strategy (the former institute

of Asia-Pacific Studies), Chinese Academy of Social Sciences (CASS) and the Head of Department of Regional Cooperation and Global Governance, NIIS, People's Republic of China

XII. JAPAN

19. **Dr. Chisako T. Masuo**
Associate Professor of the Graduate School of Social and Cultural Studies,
Kyushu University, Japan

XIII. THE REPUBLIC OF KOREA

20. **Dr. Bunsoon Park**
Senior Fellow, Samsung Economic Research Institute(SERI), the Republic of
Korea
21. **Dr. Geun Lee**
Professor of Graduate School of International Studies, Seoul National
University, the Republic of Korea

XIV. ASEAN SECRETARIAT

22. **Mr. Bala Kumar Palaniappan**
Head of External Relations Division 2, External Relations Directorate,
ASEAN Political and Security Community Department, ASEAN Secretariat
23. **Ms. Fifi Anggraini Arif**
Technical Officer, External Relations Directorate, ASEAN Political and
Security Community Department, ASEAN Secretariat



SUMMARY OF STOCK-TAKING ON THE ASEAN PLUS THREE POLITICAL-SECURITY COOPERATION

The process of East Asia community-building, which started with the convening of the first (informal) ASEAN Plus Three (APT) Summit in the aftermath of the Asian financial crisis, promised closer ties and cooperation between Southeast and Northeast Asian states. This stock-taking exercise focuses only on political security cooperation of the APT. The stock-taking analysis looks at the implementation of APT cooperation in political and security field, both in terms of progresses and challenges. The assessment is divided into two sub-sections, namely before the adoption of the APT Cooperation Work Plan (2007-2017), which covers the period of 1997-2007, and after the adoption of the APT Cooperation Work Plan (2007-2017), which covers the period of 2008-2011.

Records of APT political and security cooperation during the period 1997-2007 suggest that its activities mainly focused on two types of activities, namely official dialogues and exchanges of views as well as combating transnational crimes (TNCs). Since the first (informal) summit in 1997, the summits serve as an important venue for APT leaders to engage in dialogues and exchange of views. During those occasions, leaders consistently expressed their commitment to work together in order to face challenges confronting the region, and their desire to promote closer cooperation among the APT countries. They also used the summit to exchange views on regional and global issues confronting the region. Similar exercises were also carried out at the meetings of APT Foreign Minister (APTFMM).

While the summits and APTFMM functioned primarily as forums for dialogues, its effects on the process of cooperation should not be underestimated. ASEAN's experience suggests that dialogue plays an important role in creating comfort among participants due to their effects on building confidence and trust. ASEAN's experience also suggests that confidence and trust among participants would strengthen the willingness to embrace and engage in more meaningful and concrete forms of cooperation, leading to the creation of the habit of cooperation. As such, the summit and other official meetings serve as an important confidence and trust-building exercise.

However, it is important to recognise that cooperation in political and security field has been more concrete and progressing faster in the field of combating transnational crimes (TNCs). The emphasis on TNCs in the early stage of APT cooperation clearly demonstrates the recognition by the regional states on the importance of addressing these problems. Therefore, it is not surprising to see that since the beginning, cooperation in this area has progressed rapidly and quickly become more institutionalised.

The APT Work Plan Cooperation to Combat Transnational Crime, endorsed in August 2006 by APT participating states, provides the basis for APT countries to cooperate on legal matters, information exchange/intelligence sharing, law enforcement cooperation, and training and capacity-building in order to combat TNC. It also contains a list of comprehensive and concrete measures and programs that would contribute to the strengthening of cooperation among the APT countries in seven areas: terrorism, illegal drug trafficking, trafficking in persons, money laundering, arms smuggling, sea piracy, international economic crime, and cyber crime, each with a "lead shepherd".

The issuance of the 2nd Joint Statement on East Asia Cooperation and the adoption of the APT Cooperation Work Plan (2007-2017) in November 2007 provided a new impetus and stronger foundation for the APT to take political-security cooperation into the next stage. In this regards, the willingness and readiness of APT participating countries to expand political and security cooperation are clearly outlined in five areas of priority in a comprehensive list of cooperative measures, namely deepen political and security cooperation; peace and stability cooperation in the region; counter-terrorism; maritime cooperation; and other non-traditional security issues.

Despite such a comprehensive framework and concrete measures for cooperation, the assessment on the implementation of the Work Plan suggests that progress has been slow and uneven. During the period of 2007 to 2011, for example, various political and security-related activities undertaken within the APT framework only covered two out of five areas of cooperation, namely in the areas of (1) deepen political and security cooperation and (2) transnational crime. Even in these two areas, in addition to the convening of various official meetings, activities undertaken tend to take the forms of seminar, conference, and symposium among officials in charge of respective fields.

A general explanation can be given with regards to the reasons why APT cooperation in political and security field -except in the field of transnational crimes- has been slow and uneven. While cooperation political-security field within the APT framework has been limited and uneven, many of the measures outlined in the APT Cooperation Work Plan (2007-2017) have in fact been carried within ASEAN Plus One frameworks.

This stocktaking exercise concludes by offering three options that need to be considered by the APT in deciding how it would want to proceed in the future.

First Option: The APT can continue its efforts to undertake political-security cooperation as outlined in the Work Plan (2007-2017). This will require the APT to speed up the implementation of the Work Plan so that it could address not only the gap between political-security field and other fields of cooperation, but also within the political-security field itself.

Second Option: The APT can remove cooperation on political-security issues from its agenda, and concentrate instead on strengthening, deepening, and expanding functional cooperation in other areas, especially economic cooperation, finance, trade, investment and social-cultural cooperation. This option would then require an agreement to “transfer” political-security cooperation into the East Asia Summit (EAS) process.

Third Option: The APT maintains its main characteristic as a process for functional cooperation as in Option Two, but it will still take up security issues that are relevant, or have direct bearing on, functional cooperation. For example, the APT can adopt an agenda of cooperation on strengthening cooperation in dealing with those problems that could hamper ASEAN connectivity plans such as port safety and terrorism. It can also cooperate on those issues that could derail economic development and growth such as infectious diseases, frauds, and natural disasters.

SUMMARY OF STOCK-TAKING REPORT ON ASEAN PLUS THREE ECONOMIC AND FINANCIAL COOPERATION

The evolution of ASEAN Plus Three (APT) has been slow but gradual in its progress to contribute to East Asia in its march toward a community. Now in its 15th anniversary since APT began, it is timely and relevant to take stock and assess all relevant cooperation activities implemented/being implemented in the framework of APT – their achievements and challenges – and consider thoroughly on the future direction of APT process and regional cooperation in East Asia. Therefore, this study is conducted to assist the Eminent Representatives of the EAVG II with a study on APT economic and financial cooperation. The study focuses on five cooperation areas, namely, trade and investment, financial cooperation, food and agriculture, connectivity and energy.

Trade and Investment

Among the major goals of the EAVG Report in 2001 was to achieve closer economic cooperation in the areas of trade, investment, finance and development. Key recommendations that remain up to these dates include the establishment of the East Asian Free Trade Area (EAFTA) and liberalization of trade well ahead of the APEC Bogor Goal, and the expansion of the Framework Agreement on an ASEAN Investment Area to all East Asia.

Another progress in trade and investment is the launch of the “Second Joint Statement on East Asia Cooperation and the APT Cooperation Work Plan”. The Cooperation Work Plan places more importance on the cooperation process of East Asia in the global context including cooperation in the WTO, trade facilitation, liberalization of trade and services.

As for the progress of EAFTA, at the 12th AEM+3 meeting, the ministers welcomed the EAFTA Phase II Study. They considered recommendations from Phase I and Phase II studies to establish working groups in rules of origin, tariff nomenclature, customs cooperation, and economic cooperation. At the 13th AEM+3 meeting, they were tasked to look at the recommendations that EAFTA and CEPEA (Comprehensive Economic Partnership of East Asia, another initiative by Japan for East Asia) should be considered in parallel.

For investment cooperation, recommendations from EASG, both short- and medium- to long-term, had functioned very little in practice. Even the Cooperation Work Plan emphasized the importance of investment cooperation; it had not been able to stir the interests among APT members in an important way.

In summary, the gradual approach in advancing trade and investment cooperation produces little results. The evidence is neither an EAFTA nor an East Asia Investment Area was created during the past 12 years. APT process should study how to make it better functions and set proper mechanisms for both short- and, medium- and long-term measures and action plans.

Financial Cooperation

The 1997/98 Asian financial crisis has alarmed East Asia for the better management of macroeconomic policy and financial systems. The Chiang Mai Initiative (CMI) was set up in 2000, building upon the ASEAN Swap Arrangement, as the bilateral swap arrangement. In 2009, it was multilateralized to be the Chiang Mai Initiative Multilateralization (CMIM). The CMIM also has drawbacks. The scale of the swap arrangement is too small as compared to the US bilateral swaps. The system is too slow to serve the rapid need of liquidity support as the participating countries need to agree to contribute on each incident when any participating members need supports. Most importantly, the participating countries retain the right to decline to contribute. The ASEAN plus three countries also launched the Asian Bond Markets Initiative (ABMI) in 2003 to promote the use of local-currency bond markets. Recently in 2008, there was the new road map for the ABMI which highlighted in four areas; promoting the issuance of local currency bonds, facilitating the demand for such bonds, improving the regulatory framework, and improving bond market infrastructure.

It is important for APT to involve other stakeholders, especially, the private sector to form a joint public-private partnership to strengthen this regional effort. The new version of CMIM must have a larger amount of funding and involves more countries. As the region that shares about 25% of global GDP, APT needs a credible regional monetary institution.

Food and Agriculture

Even though the area of food and agriculture was not mentioned in the EAVG Report I in 2001, it has become an important topic in the region and in the global context. By October 2011, the APT Ministers on Agriculture and Forestry developed the APT Cooperation Strategy (APTCS) Framework consisting of six strategic areas, i.e. strengthening food security, biomass energy development, sustainable forest management, climate change mitigation and adaptation, animal health and disease control, and cross-cutting issues.

In May 2009, the APT Leaders adopted APT Comprehensive Strategy on Food Security and Bio-energy development with the view to providing the guarantee multi-sectoral cooperation among APT countries in ensuring long-term food security and bio-energy development. The APT Emergency Rice Reserve (APTERR) was signed by the AMAF+3 in October 2011, a permanent scheme for meeting emergency requirements and achieving humanitarian purposes.

The problem of food and agriculture cooperation in APT is the protection of the farm sector which has large number of voters. However, as food security can be a threat to economic stability in the region, APT has to confront the issue now. APTERR is a good positive step forward.

Connectivity

According to the UN-ARTNeT database, there are more than 130 preferential trade agreements enforced in the Asia-Pacific region. With the implementation of several regional and preferential agreements, tariff and non-tariff barriers have the tendencies to reduce tremendously. As such, the connectivity to moving forward to become an important agenda to improve trade and investment performance as is considered to be fully integrated with transaction costs in international trade.

It is expected to develop ASEAN+3 Connectivity Partnership and finalize the framework to be endorsed in the ASEAN+3 Foreign Ministers Meeting in July 2012 and the ASEAN+3 Summit in 2012.

APT has been working with ASEAN on the Master Plan for ASEAN Connectivity (MPAC). There are also other connectivity initiatives in APT or APT-related agreements such as GMS, IMT-GT, ASEAN-China, ASEAN-Japan and ASEAN-ROK.

However, the progress of APT connectivity is very slow as there is no permanent body on connectivity. Precisely, there is still no APT transport or connectivity ministers' meeting. However, there is the initiation of an APT Transport Ministers Meeting in the 18th ASEAN summit in Jakarta and APT summit in Hanoi in 2011. In that ASEAN summit, the idea of APT Connectivity Partnership is proposed in order to extend physical, institutional and people-to-people connectivity from ASEAN connectivity to other key markets and sources including the Plus three countries.

Energy Cooperation

The APT region is one of the major primary energy consumers in the world, especially in non-renewable energy resources. However, the region has very low reserves in oil and energy with self-sufficient ratio around 72 percent, in addition to the world's major risk of energy depletion, particularly in crude oil. Another major concern about world energy is a skyrocket rise and high volatility in oil prices since 2005.

Due to the great concern regarding energy security, APT Energy Minister agreed upon the five-point initiatives for energy cooperation among ASEAN and plus three countries in September 2002, as a part of the 8th International Energy Forum. The five-point initiatives consist of the creation of emergency energy security network, the development of oil stockpiling, joint studies on the APT oil market, the improvement of natural gas development and the improvement of energy efficiency and renewable energy.

After that, a Fora of Experts for each initiatives are formed. There have been 7 ASEAN Ministers on Energy+3 (China, Japan, Korea) Meeting (AMEM+3) and nine Senior Officials Meeting on Energy+3 (China, Japan, Korea) Consultations (SOME+3 Consultations).

The progress of the five-point initiatives is still limited. Most of the initiatives are at very preliminary stage such as APT oil market, natural gas development and the improvement of energy efficiency and renewable energy. Some other initiatives such as oil stock piling are on voluntary and non-binding, causing a big gap between developed member countries and least developed member countries.

SUMMARY OF STOCK-TAKING REPORT ON ASEAN PLUS THREE SOCIO-CULTURAL COOPERATION

1 The East Asia Vision Group II (EAVG II) was mandated by the Leaders at the 13th ASEAN Plus Three (APT) Summit in 2010 to stock-take, review and identify the future direction of APT cooperation. The EAVG II will first evaluate APT cooperation activities, including the progress in the implementation of the recommendations of the first EAVG (EAVG I)¹, the East Asia Study Group (EASG)², and the APT Cooperation Work Plan (2007 to 2017). Based on this stock-taking, the EAVG II will consider the future direction of regional cooperation and community building in East Asia. This stock-taking report focuses on APT socio-cultural cooperation.

2 The 2001 EAVG I report was seen as having taken a balanced approach. It had recommended that cooperation be based on common interest and shared values and principles. A key principle of cooperation was deemed to be “people-focused”. The APT should affirm this principle. On the whole, many of the recommendations of the EAVG I and EASG have been carried out. This includes a wide array of cooperation areas such as health, education, and environment. In health, the APT Emerging Infectious Disease Programme was developed to reduce the impact of emergent and resurgent infectious diseases in the region. One of its key initiatives, the APT Partnership Laboratories, was established in 2009 and aims to further strengthen the laboratory surveillance and networking on health issues within the region. In environment, workshops have been organised for the sharing of expertise between ASEAN and the Plus Three Partners. APT cooperation in education was given a recent boost with the convening of the Informal APT Education Ministers’ Meeting in 2011. The inaugural APT Education Ministers' Meeting, to be held bi-annually, will be convened in 2012. We should continue to build on such progress. For example, education is a great equaliser not only within a society, but also between the developing and developed countries. It would help to narrow the development gap and raise standards of living in our region. We should continue to forge greater cooperation in education to enhance the skills of our peoples and build the leaders of the future.

3 At the same time, it might be worthwhile for the APT to re-visit recommendations from the EAVG I that have not been implemented, assess the reasons why (e.g. due to lack of political will, resources, etc), and consider

¹ The EAVG I was formed in 1999 to "offer a common vision for East Asia that reflects the rapidly changing regional and global environment, as well as to provide future direction for cooperation among East Asian nations." It submitted its report to the ASEAN Plus Three Leaders in 2001.

² The EASG was established in 2001 to assess the recommendations of the EAVG I. It submitted its report to the ASEAN Plus Three Leaders in 2002

if it would be useful for future regional cooperation. Water resource management is one such example. Water is intrinsically linked to the most immediate challenges of the region, including food security, climate change and economic growth. Long-term planning, careful management of water resources, judicious investment in infrastructure and effective use of technology are necessary to ensure an adequate and sustainable supply of water. As such, the EAVG II recommends cooperation in water resource management as one of the concrete projects for future regional cooperation.

4 It is also worth considering new areas of cooperation to meet the changing needs of the region. Given the recent natural disasters in the region like the Tohoku earthquake in Japan and the floods in Cambodia and Thailand in 2011, the EAVG II recommends strengthening cooperation in disaster management. This is also provided for in the APT Work Plan (2007 to 2017). The APT could study the Plus One and larger fora to see where they can add-value to the APT. For example, the US had provided assistance to APT member countries struck by natural disasters, like the Tohoku earthquake in Japan, Cyclone Nargis in Myanmar, and the Aceh tsunami in Indonesia. At the 6th East Asia Summit (EAS) in November 2011, the US had circulated a non-paper on “EAS Humanitarian Assistance/Disaster Relief Priorities” as well as a “Rapid Disaster Response Agreement”. Indonesia and Australia had also tabled a joint non-paper on “A Practical Approach to Enhance Regional Cooperation on Disaster Rapid Response”.

5 Finally, it is stressed that the APT process should support and reinforce ASEAN's own integration agenda. In this regard, in considering the future direction of East Asian cooperation and community building, the EAVG II recommends that the key basis for future cooperation in the APT is to further the objectives of the Master Plan on ASEAN Connectivity (MPAC). The APT could find synergies between the implementation of the MPAC and East Asian community building. The MPAC aims to enhance physical, institutional, and people-to-people linkages and contribute towards ASEAN's goal of an integrated Community in 2015. It may also be worthwhile to recall that the EAVG I envisioned an East Asia that remains “outward-looking and open to the rest of the world”. The APT should affirm this principle. The APT should also continue to find complementarities with other regional mechanisms such as the EAS in promoting East Asian cooperation and community building.