

At the East Asia Cooperation Forum 2024

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On October 31, the East Asia Cooperation Forum 2024 took place at the Four Seasons Hotel in Seoul, South Korea. The forum was hosted by the South Korean Ministry of Foreign Affairs to discuss various important common issues in East Asia, including Japan, China, and South Korea, and potential and desirable cooperation among the three countries.

Following the opening session of the forum were Session 1 on “Responding to Common Challenges (1): Low Birth Rate and Aging Society,” Session 2 “Responding to Common Challenges (2): Climate Change, Energy, and Environment,” and Session 3 on “Expanding Trilateral Cooperation -- Complex Cooperation of Future Generations.” Experts from the Asia-Pacific region, including Japan, China, and South Korea, participated in these sessions as panelists for lively discussions. I had an opportunity to take the stage and make a presentation in Session 2. According to the sponsor, about 400 people registered to participate in the conference, including South Korean and other international participants such as many diplomats.

In Session 1, participants discussed experts’ analyses and current measures to address a serious problem facing Japan, China, and South Korea: low birthrates and population declines are plunging those countries into aging societies at the highest pace in the world. As I was unfamiliar with the problem, the session provided me with a precious opportunity to understand how serious the problem is. Session 3 dealt with challenges and prospects for current human exchange with respect to how to maintain and enhance exchange and cooperation opportunities for the young generation, who are set to lead the future. Discussions in this session were also interesting.

In this essay, however, I would like to summarize my own thoughts on energy and climate change issues in East Asia and the possibilities and challenges for energy cooperation in East Asia, focusing on my presentation and discussions with other panelists in Session 2 and others.

In this session, it was argued that Japan, China, and South Korea have vowed to achieve carbon neutrality over the long term, have been implementing greenhouse gas emission reduction initiatives towards 2030, and are considering initiatives for the target of cutting global GHG emissions by 2035 as put forth at the 28th Conference of Parties to the United Nations Framework Convention on Climate Change last year. In this sense, participants in this session reaffirmed that the enhancement of climate change countermeasures and the promotion of decarbonization for the enhancement are key common challenges for the three East Asian countries.

In the wake of the Ukraine crisis, meanwhile, Japan, China, and South Korea among the world’s major energy consumers have something in common in that the issue of energy security has suddenly grown important. While the situation in Ukraine has remained turbulent, the situation in the Middle East has become more uncertain than ever, adding fuel to uncertainties as symbolized by

the Iran-Israel confrontation. In addition to the traditional energy security risks, the three countries shared in common the growing challenge of a stable electricity supply. In this session and in discussions outside the session, I felt that responses to electricity demand growth through the acceleration of electrification through decarbonization, the growing use of generative artificial intelligence, and the expansion of data centers have become commonly important for the three countries, prompting them to become strongly conscious of how to supply electricity in stable and affordable manner from zero-emission electricity sources.

Another interesting point was that the complication of energy security issues through the deepening division of the world was often discussed in this session. It was clearly pointed out that the more investment in the clean energy sector, including renewable energy, electricity storage systems, and electric vehicles, is promoted in the world in the process of stepping up both decarbonization and energy security, the more it will be forced to depend on supply from specific countries such as China. It was also noted that countries around the world give priority to initiatives to increase their domestic production of strategic materials and technologies and establish supply chains with strategic partners in response to potential risks regarding such excessive dependence on specific countries.

While it was noted that such initiatives for strategic materials and technologies would lead to the intensification of international competition for such materials and technologies and the rise of resource nationalism, some participants in the session pointed to the adverse effects of excessive initiatives, including higher energy transition costs and burdens on consumers that would arise from the failure to sufficiently use lowest-cost supply options. Some argued that the world has deviated far from the optimal efficiency gained through the pursuit of free trade and the international division of labor in the past, indicating that responses to the world's division could further deepen the division. How the world and East Asia should address challenges accompanying the concentration of production capacity and critical mineral supply in the clean energy sector will become more important as an issue that could determine the success or failure of the energy transition in the future.

Through the discussions in this session, I felt anew that future U.S. foreign and security policy trends will be important for the division of the world. What kind of international strategy the next U.S. administration will develop following next week's presidential election will inevitably have a significant impact on the future of East Asia, becoming the most important issue for Japan, China, and South Korea from various perspectives, including energy and climate change.

Panelists in the session provided various opinions on how East Asia, including Japan, China, and South Korea, should promote energy cooperation in enhancing both decarbonization and energy security. For example, the discussion indicated that it is significant for the three countries to pursue potential cooperation such as the sharing of best practices regarding the promotion of energy efficiency, which is extremely important for the enhancement of decarbonization and energy security. It is also important to note that, since Japan, China, and South Korea are the world's leading liquefied natural gas importers, they should all emphasize that appropriate investment is important in the medium to long term for stabilizing the LNG market.

I also heard an opinion that the three East Asian countries should build on their leadership in realizing LNG market growth and development to jointly call for the sound development of markets for new innovative fuels such as clean hydrogen and ammonia, which are expected to play a key role in the future energy transition, and they should cooperate in the relevant international rulemaking.

On the other hand, there was an opinion that policy dialogue should be immediately

promoted with a view to the formation of an electric grid for the whole of East Asia, including Mongolia, as a long-term challenge in order to intensify full-fledged international cooperation to promote the spread of renewable energy and stabilize electricity supply. While there are various constraints and challenges for realizing such policy dialogue from a realistic viewpoint, it is basically important for East Asia to explore and pursue the possibility of cooperation while being aware of the issue of the time horizon. As the global geopolitical situation becomes more complex, Japan needs to work to deepen cooperation in East Asia from a strategic perspective.

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