

**JOINT STATEMENT**  
**OF THE 6<sup>TH</sup> CHINA-JAPAN-KOREA MINISTERIAL CONFERENCE**  
**ON TRANSPORT AND LOGISTICS**

**Hangzhou, China**

**28 July 2016**

1. We, the Transport and Logistics Ministers of China, Japan and Korea, met in Hangzhou, China on 28 July 2016 for the 6<sup>th</sup> Ministerial Conference. We congratulated the 10<sup>th</sup> anniversary of this cooperative mechanism, commended the progress secured under the 12 Action Plans, which were adopted during the previous five Ministerial Conferences among the three countries, and encouraged more concrete cooperation and achievements in the future.

2. We recognized that Northeast Asia is one of the centers of the world economic activities. The total aggregated GDP of the three countries is approximately 22.3% of the world economy<sup>1</sup>, and the trade value generated by the three countries reached approximately USD 6,193.5 billion, accounting for 18.7% of the world total in 2015<sup>2</sup>. China, Japan and Korea are increasingly regarded as the three pillars of Asia's prosperity and crucial cornerstones of world economic growth.

3. We realized that transport plays a fundamental and trailblazing role in the national economy and foreign trade, and it is essential to deepen and expand substantial cooperation among the three countries in the transport and logistics sectors to enhance the development of an efficient, green and secure logistics network so as to facilitate smoother and larger trade in Northeast Asia.

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<sup>1</sup> Quoted from the World Bank statistics.

<sup>2</sup> Quoted from UNCTAD statistics.

4. The three major goals for logistics cooperation we defined, namely, “creation of a seamless logistics system”, “establishment of environmentally friendly logistics” and “achievement of balance between security and efficiency of logistics”, were highly acknowledged and appreciated by leaders from the three countries at the 6<sup>th</sup> Trilateral Summit Meeting convened in Seoul last November. 12 Action Plans under the three goals have also been identified and carried out ever since. With ten years of concerted efforts, we were delighted to see that marked achievements have been made so far. We thus confirmed the “Progress and Future Work of the Action Plans”, which is attached hereinafter, and reached the following consensus for constant cooperation:

#### **4.1 Creation of a Seamless Logistics System**

Mutual access of trailer chassis plays a key role in linking land and maritime transportation and thus increasing logistics efficiency and speed. Accordingly the three countries will endeavor to realize trilateral access of sea-land inter-modal trailer chassis in the future. To this end, we will gradually make the efforts for mutual access of trailer chassis. China and Korea will endeavor to facilitate mutual access of trailer chassis based on the previously signed agreement and Japan and Korea will expand the existing pilot project, considering demands of consigners and logistics enterprises. China and Japan will continually cooperate with each other more closely toward implementation of the pilot project of mutual access.

We will continually improve and promote NEAL-NET logistics information-sharing service, increase the number of information-sharing ports and explore more information-sharing service areas, promote the popularization of NEAL-NET in Northeast Asia, start joint study on transnational intermodal transport, and steadily advance international exchange and cooperation.

We will continue to make efforts to realize the establishment of the low cost and

eco-friendly logistics system. We will share the results of research of the three countries and make joint efforts to facilitate the work of returnable pallets among the three countries.

We will constantly promote standardized pallets to contribute to the realization of seamless logistics system in Northeast Asia, and maintain cooperation toward these efforts. We will make efforts for developing national standards of pallets and encourage research on the possibility of standardizing returnable container excepting pallet.

We will share information and experience in container rail-sea intermodal transport development, deepen common understanding, explore the potential demand on container rail-sea intermodal transport among the three countries, and identify the opportunities and challenges for container rail-sea intermodal transport.

Noting that global fresh food logistics and the trade of agricultural product and sea food in Northeast Asia are growing, we recognized there is a need for a cold chain running smoothly to secure food safety and reduce food abandonment. To that end, we will encourage the public and private sectors to explore cooperative projects and conduct joint research.

#### **4.2 Establishment of Environmentally Friendly Logistics**

We are seeking ways of building an environmentally friendly logistics. We recognized that global warming and air pollution are a common challenge. In accordance with the growing environmental consciousness of customers, the demand for environmentally-friendly logistics services is growing in the three countries. In this regard, we recognized that various projects conducted under this Ministerial Conference have an important meaning for establishment of an

environmentally-friendly logistics. We will strengthen our cooperation and promote cooperation between the governments and private sectors to move forward such projects related to environmentally-friendly logistics.

#### **4.3 Achievement of Balance between Secure and Efficient Logistics**

To jointly endeavor to respond to changes in the international logistics security environment, including effective development of human resources in the logistics security, we will encourage exchange of information on the current logistics security-related trainings in the three countries.

We will endeavor to cooperate and encourage research by the research institutes and enterprises of the three countries on logistics security-related technologies to improve logistics security and efficiency.

#### **4.4 Other Related Areas**

We noted the plan of holding the 17<sup>th</sup> Northeast Asia Port Director-General Meeting and Port Symposium in Incheon, Korea in November 2016, and encouraged the confirmed cooperation on “Comparative Study on Port Legal Institutions of China, Japan and Korea”, “Measures for Attracting People to Ports” and “Study on Handling Capacity for Efficient Development of Container Terminal”.

We recognized the importance of the Northern Sea Route (NSR) as the alternative route in the future. To further facilitate the use of the NSR, we will continue to encourage the governments, the research institutes, and enterprises of the three countries to share information and cooperate with one another.

The three countries will deepen their efforts under cooperation to create

conditions to facilitate 3PL business. In addition, the three countries will continue to exchange information of efforts to promote 3PL business in each country.

## **5. New Initiatives for Future Cooperation**

5.1 We welcomed the progress made in the implementation of the 12 Action Plans. We looked forward to ever greater outcomes in the upcoming decade of cooperation. We will review the progress of the Action Plans and come up with measures to improve. By doing so, we will efficiently proceed with the Action Plans and identify new agendas constantly so that we will further expand cooperation in the area of logistics.

The China-Japan-Korea Ministerial Conference on Transport and Logistics, as the only trilateral consultative body in logistics, has been considered successful since the 1<sup>st</sup> Ministerial Conference was held in 2006. Measures for efficient operation and management of the Ministerial Conference will be jointly reviewed and presented by the three countries at the 7<sup>th</sup> Ministerial Conference so that China, Japan, and Korea will further strengthen trilateral logistics cooperation.

5.2 We observed that in recent years, the three countries have respectively put forward major initiatives, namely, China's "Belt and Road" initiative, Japan's "Partnership for Quality Infrastructure" initiative, and Korea's "Eurasia Initiative". In the implementation of these national-level initiatives, transport infrastructure connectivity and logistics facilitation will play a significant part. We will endeavor to strengthen communication and collaboration among each other in implementing these initiatives, and explore the possibility of launching cooperative projects and activities under these initiatives in the future.

5.3 We recognized that multinational and international organizations are serving as important platforms for the three countries to promote the development of

transport and logistics in the region. We shared the view that we, together, should work more closely and play a more active role under such regional and global frameworks as the International Maritime Organization (IMO), the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), the Asia-Pacific Economic Cooperation (APEC), etc., with the purpose of contributing to our common interests.

5.4 We were heartened to see the joint contributions to the logistics development in the Asia-Pacific region by the three countries. We hoped that the three countries could work harder and enable NEAL-NET to play a bigger role in this region, expand trilateral logistics information cooperation from shipping to various transport modes, including road, railway and civil aviation, further strengthen the cooperation among each other as well as within international frameworks such as UNESCAP, APEC, etc., and jointly push forward the application of NEAL-NET in ASEAN, the Asia-Pacific and the European Union.

6. We welcomed the participation of the Trilateral Cooperation Secretariat (TCS) in the 6<sup>th</sup> CJK Ministerial Conference on Transport and Logistics, and we would closely work with the secretariat for the promotion of transport and logistics cooperation among the three countries.

7. We decided that according to established norms, the 7<sup>th</sup> CJK Ministerial Conference will be held in 2018 in Korea.

8. We expressed our sincere appreciation to the Ministry of Transport of China and the Government of Zhejiang Province for the warm hospitality accorded and the excellent arrangements made for the Conference.

**Annex: 2016 Progress and Future Work Sheets of the Action Plans**

For the Ministry of Transport of the  
People's Republic of China

**YANG Chuantang**

Minister of Transport

For the Ministry of Land, Infrastructure,  
Transport and Tourism of Japan

**Hideki MIYAUCHI**

Parliamentary Vice-Minister of Land,  
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For the Ministry of Oceans and  
Fisheries of the Republic of Korea

**KIM Young-suk**

Minister of Oceans and Fisheries

# **2016 Progress and Future Plan Sheets of the Action Plans**



## **Action Plan 1**

### **Improvement of inappropriate logistics-related institutions and systems and establishment of solutions to the problems in making inroads into the foreign countries**

Any impediment that private companies face in oversea operation in the three countries will be identified, and if necessary, each relevant country can be called on to develop improvement measures.

## **Progress/Future Plan**

### **<Progress>**

CJK has been striving to establish efficient logistics systems among the three countries through improving inappropriate logistics-related institutions and systems.

CJK recognized the importance of the returnable pallets system for the establishment of efficient Northeast Asia logistics system. Accordingly, CJK has been making continuous efforts on building efficient and co-friendly and low-cost Northeast Asia logistics system.

Under the current rules and regulations, Japan reviewed pilot tests and conducted field tests which facilitate the use of returnable pallets between Korea and Japan. In a study, 'Analysis on economic effects of pilot tests for the use of returnable pallets', from July to October in 2015, Korean private sector analyzed economic effects that the use of returnable pallets of CJK will bring, and reviewed measures, including tools to identify returnable pallets, to conduct pilot tests between Korea and Japan. In Japan, the private sector pushed forward with a field test on the use of returnable pallets from January to March in 2016.

CJK obtained the observer's status at the Arctic Council in May 2013, which laid the foundation for participating in various activities within the Arctic area, such as sustainable development and environmental protection.

CJK recognized the importance of the Northern Sea Route (NSR) as the alternative route in the future and sent experts to share information of the NSR at the Third and Fourth International Arctic Shipping Seminars, both held in Ulsan, Korea on 27th November 2014 and on 26th November 2015 respectively.

### **<Future Plan>**

We will continue to make efforts to realize the establishment of the low cost and eco-friendly logistics system. We will share the results of research of the three countries and make joint efforts to facilitate the work of returnable pallets among the three countries.

Looking forward, CJK will continue to encourage the governments, research institutes, and enterprises to share information and cooperate with one another for further use of the NSR as a future alternative route.

## **Action Plan 2**

### **Creation of conditions to realize the seamless logistics system in Northeast Asia**

The three countries will exchange their views on measures to create the foundation to realize the seamless logistics system in Northeast Asia, and conduct the research of mutual access of trailer chassis in Northeast Asia.

### **Progress/Future Plan**

It would be very important to promote mutual access of trailer chassis, as it would contribute to realize efficient and speedy logistics by smoothing connectivity between international sea-land transport. Mutual access of trailer chassis means that chassis of one country is permitted to run in the other country between related countries.

Progress and future work regarding mutual access of trailer chassis among the three countries are as follows:

#### **1. Between China and Korea**

##### **<Progress>**

The two countries signed *The Agreement Between the Government of the Republic of Korea and the Government of the People's Republic of China on Sea-Land Intermodal Freight Vehicle Transportation* in September, and carried out mutual access of trailer chassis since December, 2010.

The two countries have transported cargoes using trailer chassis between their ports such as Incheon, Pyeongtaek-Dangjin, Gunsan (Korea), Weihai, Qingdao, Rizhao, Rongcheng, and Shidao in Shandong and Lianyungang in Jiangsu (China).

Moreover, to smoothly operate intermodal transportation projects planned under the agreement the two countries conducted research on measures to expand the intermodal transportation projects to the second stage of the project between 2014 and 2015.

##### **<Future Plan>**

Based on the agreement signed by Korea and China, the two countries will endeavor to facilitate mutual access of trailer chassis as part of the 1st phase of the project. And the two countries will continuously explore the expansion measures of mutual access of trailer chassis with a tractor as part of the 2nd phase of the project. Korea will also endeavor to explore the measures of linking cross-border ecommerce with 2nd phase of the project.

#### **2. Between Japan and Korea**

##### **<Progress>**

The two countries have conducted a pilot project since October 2012 in accordance with Record of Decision Japan and Korea concluded in July 2012. In the pilot project, automobile parts have been transported utilizing both Japanese and Korean chassis between Busan and the Shimonoseki Ports in cooperation with the Government and private companies including cargo owners and logistics service providers. Similarly, transport has been started between Busan and Hakata Ports in 2014.

Firstly, in October 2012, Japanese chassis were started to be operated, secondly on March 2013, Korean chassis were started to be operated between Japan and Korea. 24 Korean chassis were added in 2016, and currently total 20 Japanese chassis and 32 Korean chassis are operated.

Further, to deepen mutual understanding on detailed procedures in both countries concerning mutual access of trailer chassis and to continue/improve smooth operation of pilot project, the two countries held experts' meeting in Tokyo, Japan on December 2015 and exchanged information on possibility of expanding the pilot project.

The Korean side extended the term for exemption described in the Ordinance on Special Provisions for Automobile Management until the end of December 2018.

**<Future Plan>**

The two countries will continue to explore possibility of new pilot projects in terms of route and items, considering demands of consigners and logistics enterprises by reviewing the results of the existing pilot project.

**3. Between China and Japan**

**<Progress>**

On October 2015, one chassis which satisfied vehicle safety standards in China and Japan has completed vehicle registration, which can now be operated in between the two countries.

The two countries have exchanged on possibility of conducting a pilot project of mutual access of trailer chassis.

**<Future Plan>**

The two countries will continually cooperate with each other more closely toward implementation of the pilot project of mutual access by using the chassis which satisfies vehicle safety standards in both the countries through cooperation, such as by conducting expert meetings.

### **Action Plan 3**

#### **Efforts to establish an inter-connected logistics information network among the three countries**

The three countries will make efforts to build an effective inter-connected logistics information network (NEAL-NET).

#### **Progress/Future Plan**

##### **<Progress>**

1. Constantly improve standard formulation, and the construction of port logistics information-sharing standard has achieved substantial progress.

China has completed the mapping between NEAL-NET and ISO19845 standard. And China has actively promoted the NEAL-NET standard to be a recommended standard for UN ESCAP to establish an efficient transport and logistics information-sharing system in Asia-Pacific region. On the basis of dynamic container vessel status and container status information sharing standard, carrying on joint research on customs clearance status querying standard.

2. Deepen technical cooperation, and continually upgrade port interconnection technology service

The three countries completed NEAL-NET Unified User Management and Authentication, technology upgrade for the connected ports, improved the querying speed and data quality, and developed NEAL-NET Administrator Guidelines, which provide minimum operation rules and standard technical guidance to maintain quality of NEAL-NET service for the responsible person in charge of NEAL-NET service.

3. Carry on international cooperation, and constantly consolidate the development foundation

NEAL-NET participated in the UN ESCAP research project "Development of efficient and convenient logistics system" to promote the NEAL-NET's standard and cooperation mechanism. Completed the ADB technical assistance project, and studied on NEAL-NET development strategy, standard construction, infrastructure network, and other areas. CJK began to talk with Port Klang, Malaysia about interconnection and invited delegates from Port Klang Authority, Malaysia to attend the 17th Technical Meeting to talk on the possibility to realize logistics information sharing.

4. Strengthen international exchange, and enhance the influence of NEAL-NET in industry

For effective communication, NEAL-NET not only released news by means of mainstream mass-media but also established its own briefing materials, brochures, trailer and web portal, which extensively introduced and promoted NEAL-NET work, timely updated the dynamic work progress of NEAL-NET, and actively created the favorable externalities for the promotion of NEAL-NET. After last Ministerial Meeting, 7 brief reports have already been released; the upgrade and revision of web portal have already been completed.

On the other side, NEAL-NET attended the ISO TC 204 group meeting in Hangzhou, China and Potsdam, Germany, the IMO Facilitation Committee 40th session, World Maritime Day and other activities, NEAL-NET made speech and introduced the development progress of NEAL-NET in the meeting, improving NEAL-NET reputation

and influence.

### **<Future Plan>**

The three countries will make effort on the following through appropriately exchanging information, considering users' demands and situation of management.

1. Continually improve and promote NEAL-NET logistics information sharing standard

While maintaining and improving NEAL-NET's existing standard, according to international logistics information sharing needs, strengthen study and discussion on possibility of expanding the status to customs clearance standard, permission of delivery from Container Yards etc., continually enrich the content of NEAL-NET standard system. At the same time, actively participate in the ISO working meetings and standards research, improve the internationalization of NEAL-NET standard. Through UN ESCAP project to promote NEAL-NET standards in Asia-Pacific region.

2. Increase information sharing port and explore logistics information sharing service area

According to the characteristics of CJK, continually explore methods to interconnect ports, accelerate port interconnect progress, promote the major ports of the three countries to realize dynamic container vessel status information sharing and container status information sharing. And also, CJK will joint study on information sharing of Dangerous Goods among CJK to secure port safety and logistics activities.

The three countries will endeavor to increase 6 new ports. China will open Dalian port and Jiaying port, Japan will open Niigata port and Yokkaichi port, Korea will open Ulsan port and Pyeongtaek -Dangjin port.

At the same time, carry out interconnection with various shipping companies, shipping information platforms and other specialized enterprises to make up the unity of port data, broaden NEAL-NET's network data sources.

3. Promote the popularization of NEAL-NET in CJK

NEAL-NET aims to serve logistics companies and reduce trans-national logistics information sharing cost. NEAL-NET will continually improve interconnected ports' data quality, enlarge data range, and increase new querying content and so on to attract more company users and queries in CJK.

4. Explore and deepen logistics information sharing service areas

On the basis of marine cooperation, gradually promote the cooperation areas of CJK from sea to road, railway, air and other transport area. Three countries will start to conduct study on measures to expand the modes covered by logistics information sharing from maritime to in-land.

5. Steadily advance international exchange and cooperation

Push the interconnection cooperation with Russia (Far East), ASEAN countries such as Malaysia and Singapore, carry on discussion with EU about the possibility of logistics information sharing between Asia and EU. Maintain working relationship with UN ESCAP, ISO, IMO, ADB and other international organizations, participated actively in the related work and project research, apply for new ADB project to support NEAL-NET development and speed up the international process of NEAL-NET.

#### **Action Plan 4**

##### **Exchange of information on maritime transport and logistics in Northeast Asia**

The three countries will support an experts' study on maritime transport and logistics and inter-modal in Northeast Asia and review the outcome of the study on it. In addition, the three countries will examine possible solutions to exchange in the maritime transport and logistics and inter-modal field.

##### **Progress/Future Plan**

###### **<Progress>**

As of July, 2012, the first stage work has been completed.

It was planned to hold a workshop on maritime single window system and intelligent port gate system on May 2014 in Ningbo, China. However the scheduled workshop was not held as a matter of each country.

###### **<Future Plan>**

Experience sharing on the development of container rail-sea (excluding rail-ferry, the same applies to the following) intermodal transport among CJK is planned to be carried out, which is aimed at sharing the information and experience in the container rail-sea intermodal transport development, deepen the common understanding, explore the potential demand on container rail-sea intermodal transport among CJK, and identify the opportunities and challenges for container rail-sea intermodal transport. Based on the information and experience sharing, it is expected to deepen the cooperation on container rail-sea intermodal transport among CJK.

Suggested work content (2016-2018):

1. Exchange information and experience in container rail-sea intermodal transport development;
2. Analyze potential demand of container rail-sea intermodal transport among CJK;
3. Discuss the environment and policies for the development of container rail-sea intermodal transport.

## **Action Plan 5**

### **Standardization of logistics equipment**

The three countries can promote standardization of logistics equipment which is being used in the three countries including pallets.

### **Progress/Future Plan**

Understanding that it is essential to set/promote common national standards regarding pallets to realize through-transit palletization and eco-friendly logistics through promotion of returnable-use of pallets, these three countries reached consensus that cooperation among them should be continually further deepened and strengthened.

#### **<Progress>**

These three countries have respectively promoted the utilization of standard-sized pallets (hereinafter referred to as “the Pallets”) with related parties including government agencies, research institutions and/or Asia Pallet System Federation (established in 2006, of which members are associations representing companies relevant to pallets such as manufacturers of pallets and pallet rental companies in each of Asian countries including the three countries).

In order to promote through-transit palletization and returnable-use of pallets, The Asia Pallet System Federation has started discussion mainly by China, Japan and Korea about development of Certification Regulation for Asian returnable standard pallets.

#### **<Future Plan>**

These three countries will continually make efforts on pallets quality (i.e. material and strength) and general rule of unit load compatible with the private standards.

These three countries will cooperate to promote further usage of the Pallets and also promote usage of the Pallets and through-transit palletization to the ASEAN countries together with related parties including government agencies, research institutions and/or APSF.

In addition, these three countries will conduct monitor survey on diffusion of the Pallets for three countries and ASEAN to discuss efficient measures to promote the Pallets.

The three countries will accelerate discussion and explore the possibility of standardization of other logistics equipment, such as box pallets, roll box pallets and plastic containers.

## **Action Plan 6**

### **Promoting close cooperative relations for ports sector**

The three countries can further strengthen close cooperative relations in the field of port in the three countries through Northeast Asia Port Director-General Meeting.

### **Progress/Future Plan**

#### **<Progress>**

The 15th Northeast Asia Port Director General Meeting was held in Nanjing, China on November 23rd to 24th, 2014 with main theme of "Transformation and Upgrading of Port Development". China, Japan and Korea introduced the port development status of each country and had a warm discussion. The 15th Northeast Asia Port Symposium was held on November 25th with the main theme as "Port Transformation and Upgrading".

The 16th Northeast Asia Port Director General Meeting was held in Kobe, Japan on November 1st to 2nd, 2015 with main theme of "Attracting People to the Ports". China, Japan and Korea introduced the port development status of each country and made the information exchange. The three delegations reviewed and approved the progress report of the working group and the proposal on new projects for joint research. The 16th Northeast Asia Port Symposium was held on November 3rd, with the main theme as "Maritime Connectivity".

#### **<Future Plan>**

The Working Group Meeting of the 17th Northeast Asia Port Director General Meeting will be held in Incheon, Korea on June 29th.

The 17th Northeast Asia Port Director General Meeting & Port Symposium will be held in Incheon, Korea in November. The main theme of the meeting is to be decided. In the director-level meeting, the progress of their research projects will be exchanged and the report to the Director General Meeting will be investigated. In the Director General Meeting, there will be the introduction of port development status of each country, report of the progress of working group, discussion of the schedule of the next Director General Meeting. The minute of the Director General Meeting will be signed at the end.



## **Action Plan 7**

### **Measures to balance between logistics security and efficiency**

CJK exchange opinions on establishing safe and effective logistics system and find ways to coordinate logistics security and efficiency. Furthermore, the three countries continue making efforts towards jointly taking actions against the changing environment of international logistics security.

### **Progress/Future Plan**

#### **<Progress>**

In light of the 9.11, logistics security has been recognized as a global megatrend, and various measures on logistics security have grown stricter among individual countries and within international organizations. Also in case of CJK, ISPS of IMO, AEO of WCO, ISO 28000 and many other logistics security measures have been adopted.

CJK is faced with the strong request to strengthen international logistics security, and the demand on logistics security is also increasing due to the steady growth of trade volume among the three countries. Furthermore, as the need of professional logistics security is rising, the demand on professional human resources is growing as well.

In this context, in order to jointly respond to the fast-changing international environment in logistics security, CJK recognized the need of joint research in this field, and Korea searched for measures to discuss details needed for joint research.

#### **<Future Plan>**

The transportation of dangerous goods (dangerous chemicals) can represent significant risks to human health and safety, property and the environment. Due to the potential danger in transporting these products, it is essential to ensure that proper knowledge is readily available in the case of an emergency. To this end, many different facets should be considered. The aim of the project is to increase the safety and reduce the impact of dangerous goods incidents on human health and safety, private property and the environment, especially during international shipments.

CJK will joint study to secure safety transportation for Dangerous Goods among CJK and also to share best practices for safety control and monitoring of DG.

<b><u>Action Plan 8</u></b>
<b><u>Promoting mutual exchanges, cooperation and joint research</u></b>
The three countries endeavor to develop a joint research guideline to conduct joint studies for logistics cooperation in Northeast Asia more systematically.
<b><u>Progress/Future Plan</u></b>
<p><b>&lt;Progress&gt;</b></p> <p>CJK selected the areas that require trilateral cooperation, conducted joint research, and enhanced cooperation through the Ministerial Conference. By doing so, the three countries are strengthening logistics.</p> <p>Korea hosted the international Workshop on 16th April in 2016 to share the results of a study, 'Effects of Larger ships', which is being conducted to analyze the effects of the vessel size-up trends on ports and shipping. The government officials of China and Japan also contributed to the workshop.</p> <p>In order to realize the seamless logistics system in Northeast Asia, both Korea and Japan have agreed to survey the need of mutual operation of trailer chassis and share the result.</p> <p>The joint study on the 'Cargo handling capacity of container terminals', 'Comparison of CJK port-related regulations', and 'Port facilitation activation by enlarging the entering of people' are being conducted.</p> <p><b>&lt;Future Plan&gt;</b></p> <p>Furthermore, CJK will facilitate trilateral cooperation in logistics and identify new agendas in the areas of common interest.</p>

## **Action Plan 9**

### **Sharing the outcomes of discussion in the field of logistics reported from Northeast Asia Port Director-General Meeting and other meetings**

The three countries will report the outcomes to the 'Ministerial Conference', with respect to logistics discussed in the trilateral meetings, which include Northeast Asia Port Director-General Meeting.

### **Progress/Future Plan**

#### **<Progress>**

The current joint research projects among the three countries, namely, "Promotion of RFID in the Northeast Asia Maritime Container Transport" (led by China), "Promotion of Cruise Industry" (led by Japan) and "Promotion of Marina networking among Northeast Asia" (led by Korea), have been completed. "Recent change of coastal environment and countermeasures to its impact" is being promoted on schedule.

#### **<Future Plan>**

From 2016 on, three new projects will be put on, including "Comparative Study on Port Legal Institutions of China, Japan and Korea" (led by China), "Study on measures for attracting people to the ports" (led by Japan) and "Study on handling capacity for efficient development of container terminal" (led by Korea). The main task of the three projects in 2016 is data collection and research framework determination. The joint study on "Recent change of coastal environment and countermeasures to its impact" will be continued.

<b><u>Action Plan 10</u></b>
<b><u>Establishing environmentally friendly logistics policies</u></b> The three countries will exchange their views on the environmentally less burdensome logistics policies.
<b><u>Progress/Future Plan</u></b>
<p><b>Green logistics policy of each country</b></p> <p>After the Fifth Ministerial Conference, the three countries have taken the following measures as green logistics policy in each country. The three countries will make further efforts aiming at development of eco-friendly logistics system.</p> <p><b>(1) China</b></p> <p>China has attached great importance to the environmental sustainability of logistics in recent years, which includes specific measures described as follows:</p> <ul style="list-style-type: none"> <li>• Released a series of policy documents to guide energy saving and emission reduction, such as “Action plan for transportation industry in response to climate change”, “Work plan of curbing greenhouse-gas emissions in transportation sector in the 12<sup>th</sup> five-year development plan, which was formulated by MOT of China.</li> <li>• Strengthen and improve the green logistics evaluation system by establishing a set of statistical monitoring index of energy-saving and emission reduction.</li> <li>• Encouraging private enterprises to invest in the construction of station of drop and pull transport to increase transport efficiency.</li> <li>• Promotion of application of new energy transport devices, such as LNG vessel, hybrid vehicle.</li> <li>• Developing green logistics technology in the field of highway and port.</li> </ul> <p><b>(2) Japan</b></p> <p>With the expansion of institutional support through the revision of “Act of Logistics Integration and Efficiency” in May 2016, initiatives, such as, modal shift and joint distribution/delivery system, have been also newly supported. We will promote these various initiatives to further reduce the environmental burden.</p> <p>And make further efforts to reduce environmental burdens based on the “Comprehensive Logistics Policy”, released in June 2013, a five-year logistics plan of the government.</p> <ul style="list-style-type: none"> <li>• Obligation to submit energy-saving plans and energy use reports to rationalize energy use in the transport sector in according to the Law Concerning the Rational Use of Energy.</li> <li>• Developing road network which contribute to smoothing traffic stream, and discussing management on freight car transport by utilizing ITS (ETC, VICS and ITS Spot).</li> <li>• Promotion of modal shift toward trunk line transport by supplemental subsidies on modal shift projects jointly conducted by stakeholders such as cargo owners and logistics service provider, and on introduction of maritime transport equipment such as trailer chassis for coastal shipping and large-size containers (31 ft.) for railway transport.</li> <li>• Promotion of joint distributes/delivery systems by collaboration with cargo owners and</li> </ul>

logistics service provider and by support from local governments and so on.

- Promotion of energy-saving measures for each transport mode such as truck, ship and railroad, measures to less environmental pollution and measures for conversion to energy such as natural gas.

### **(3) Korea**

As the international environmental regulations become stricter than ever, the logistics industry needs to swiftly respond to them. To that end, Korea makes various efforts to shift its energy-consuming logistics industry to the low-carbon industry as follows:

- More companies are encouraged to join the Logistics Energy Target Management System and monitored

In Korea, a growing number of companies are participating in the Logistics Energy Target Management System, a voluntary agreement between the government and companies, through which the companies set their own targets of emission reduction and take individual action. (181 companies as of 2015). Also, the government's monitoring system helps them strengthen the capacity to reduce greenhouse gas emissions.

- In order to encourage eco-friendly logistics activities, the Korean government enacted 'Best Practice of Green Logistics Company' (Feb 2015) and designated 18 companies as 'Best Practice of Green Logistics Company' as of 2015.
- Korea is taking initiative in promoting the private-led activities of reducing greenhouse gas emissions through 'Green Logistics Consultative Committee', established by the private sector (May 2014). The Committee engages in policymaking, giving proposals, discussion, and adjustment of green logistics policies as well as evaluation and designation of projects supporting green logistics.
- In order to reach the national target of greenhouse gas emission reduction in logistics by 2020, Korea is pursuing facilitation of three-party logistics and joint logistics, and encouraging modal shift and eco-driving. In addition, Korea is working towards raising the awareness and building capacity among companies by launching Best Fuel-efficiency Contest, sharing best practice cases and building a website for green logistics.

#### **<Future work>**

For the purpose of establishing an environmentally friendly logistics (Green Logistics) system, the three countries will strengthen cooperation through sharing and exchanging information.

## **Action Plan 11**

### **Creation of conditions to facilitate the 3PL Business**

The three countries will introduce the status of promoting the advanced 3PL business in each country and exchange their views on creating conditions to facilitate the 3PL business.

### **Progress/Future Plan**

Under the common understanding that Third Party Logistics (3PL) business is beneficial for an efficient and effective logistics system in accordance with consignor' needs, the three countries have improved environment to facilitate 3PL business in each country as described below.

#### **<Progress>**

##### **(1) China**

In March 2009, China's State Council issued the Plan on the Restructuring and Revitalization of the Logistics Industry, according to which, 3PL business involves more than one single industry. So the support to and development of 3PL needs more attention and cooperation from relevant departments. Under the guide of "Scheme of Deepening Circulation System Reform and Accelerating Circulation Industry Development Work Divided by Relevant Sectors", 3PL business will obtain an unprecedented facilitation. The building of a nationwide network of information sharing platform (LOGINK) in China helps create a more efficient and favorable environment for 3PL providers and consignors, without paying unnecessary fees charged by forwarder.

##### **(2) Japan**

In cooperation with related associations, the Japanese government has further promoted human resource development with regard to 3PL businesses, and has actively promoted 3PL businesses for advancement of cargo owners' logistics efficiency.

In addition, based on the "Act of Logistics Integration and Efficiency," the government has promoted comprehensive and efficient logistics through certification system for comprehensive and efficient logistics plan. 289 plans have been certified as of end of the March 2015. Through these efforts, new services such as environment-friendly 3PLs and overseas deployment in Asia by Japanese 3PL providers have emerged in response to consignors' needs.

Moreover, with the expansion of institutional support through the revision of "Act of Logistics Integration and Efficiency" in May 2016, Japan will continue to pursue the improvement to logistics efficiency by boosting even more initiatives.

And, Cross-Border EC market has been rapidly expanding in Asia, contribution in role of logistics for Cross-Border EC is very big. Accordingly, we recognize that it is important to share the information related to the cross-border EC business in the three countries, and take the necessary measure for not to prevent the facilitation of cross-border EC business

##### **(3) Korea**

The Korean government, in order to facilitate 3PL system, is introducing and implementing various policies as follows:

- To foster comprehensive logistics companies, Korea adopted and currently implements the Comprehensive Logistics Company Certification System, and includes the 3PL

expenditure ratio into it as the standard.

- To activate 3PL, we directly match shipper companies and logistics companies, and then, provide consulting.
- Shipper companies receive a deduction on some of corporate and income tax when they introduce 3PL.
- In order to raise the awareness that efficient logistics management and professional logistics services are needed, the government is identifying and promoting the best practices of companies which adopted the 3PL system.
- The Korean government endeavors to identify and inform the best practices of various industries by providing 3PL consulting service and tax reduction so that we can enhance the expertise of the logistics system and expand the range of 3PL not only to transport and storage but also to the whole supply chain.

**<Future Plan>**

Three countries will make constant efforts to lower physical and non-physical barrier that 3PL companies face when conducting services in other countries and secure the channel to communicate and exchange the mutual opinion.

Also, with regard to the joint project on "Trilateral Cooperation for Improvement of Supply Chain Connectivity" which was agreed upon by CJK Economic and Trade Ministers Meeting and welcomed by CJK leaders, these three countries will try to specify problems of Logistics/Trade in these three countries and make efforts to improve these problems through joint research and survey, such as by distributing questionnaires to the business sector with close cooperation with the ministry of trade in each of the countries and Trilateral Cooperation Secretariat (TCS).

## **Action Plan 12**

### **Strengthening cooperation with the ASEAN in the future**

The three countries will explore the possibility of cooperation with ASEAN in the field of maritime transport and logistics in the future through the Ministerial Conference.

### **Progress/Future Plan**

#### **<Progress>**

To enhance the efficiency of logistics between Northeast Asia and ASEAN, unnecessary competition among CJK should be removed and joint projects should be established.

In order to strengthen cooperation with the ASEAN nations in the field of logistics, CJK should, during the ASEAN Senior Transport Official Meeting (STOM), Transport Ministers Meeting (ATM) and other high-level conferences, share their views and information on how each country is making efforts.

In addition, CJK made questionnaires of the survey to find out the needs of cooperation among the ASEAN member states so that the three countries identify new areas of cooperation, especially the ones needed for the ASEAN.

#### **<Future Plan>**

In order to lay the groundwork for integration of the logistics systems between Northeast Asia and the ASEAN, CJK will examine and review the need of the ASEAN, and based on the review, they will decide whether to proceed to logistics cooperation with the ASEAN.