# JOINT STATEMENT OF THE 8TH CHINA-JAPAN-KOREA MINISTERIAL CONFERENCE ON TRANSPORT AND LOGISTICS

# **August 20, 2021**

- 1. We, the Transport and Logistics Ministers of China, Japan, and Korea, held the 8th Ministerial Conference on Transport and Logistics online on August 20, 2021. We appreciated the progress of the Action Plans during the previous seven Ministerial Conferences, rearranged the major goals and the Action Plans, taking the impact of COVID-19 on international logistics into consideration, and encouraged continuous achievements of the Action Plans.
- **2.1.** We recognized that the three countries play a critical role in the development of the world economy and trade. The total aggregated GDP of the three countries is approximately 25.3% of the world economy in 2020 (IMF), and the trade value generated by the three countries amounted to approximately USD 6,456 billion, accounting for 18.7% of the world total in 2020 (IMF).
- **2.2.** With the rapid development of the cross-border supply chain, we recognized that logistics plays an important role in the three countries' increasingly close economic interdependence. We also recognized that trilateral cooperation in the field of transport and logistics would contribute to the development of industries in each country and lead to mutually beneficial trilateral relations.
- **3.1.** Although nearly one and a half years have passed since the World Health Organization declared a pandemic and vaccinations are underway, COVID-19 cases/deaths are still increasing around the world. We express our deepest condolences for all those who lost their lives and convey our sincerest sympathies for the many people that suffered.
- **3.2.** COVID-19 had a major impact on international logistics. For example, the significant reduction in passenger flights led to a tightening of air transport space. Some factors such as rapid growth in transport demand and significant efficiency reduction in maritime supply chain led to a shortage of international maritime transport containers and transport space.
- **3.3.** We present our sincerest appreciation and respect to the logistics workers at the forefront of logistics who have been making dedicated efforts to secure the supply

chain and to support people's lives and economic activities.

- **3.4.** With a view to confirming and strengthening cooperation among the three countries in securing and maintaining a steady and smooth logistics system against the backdrop of COVID-19, we held the Special Session of this Ministerial Conference and adopted the Joint Statement on June 29, 2020.
- **3.5.** Given the ongoing impact of COVID-19 on logistics, we recognized the importance of a common understanding of the state of logistics and showing the paths towards a resilient logistics network among the three countries at this moment.
- **4.1.** Since the 1st Ministerial Conference in 2006, we have identified and carried out the Action Plans under the three major goals for logistics cooperation: "Creation of a Seamless Logistics System," "Establishment of Environmentally Friendly Logistics" and "Achievement of Balance between Security and Efficiency of Logistics."
- **4.2.** Considering the fact that international logistics was disrupted by COVID-19 and the resilience of the supply chain was recognized as an important policy issue, we decided to set "Promotion of a Resilient Logistics Network" as a new major goal, taking over "Achievement of Balance between Security and Efficiency of Logistics."
- **4.3.** We also rearranged the Action Plans according to the major goals at this Ministerial Conference, thereby further specifying the nature of trilateral cooperation.
- **4.4.** The Joint Action Plans will be "Cooperation and Coordination among the Three Countries toward a Resilient Logistics Network" and "Promoting Digital Transformation (DX) in Logistics." The rest of Action Plans will be respectively led by China, Japan and Korea.
- **4.5.** China will continue to lead "Efforts to Establish and Expand an Inter-Connected Logistics Information Network," "Best Practice Sharing and Cooperative Development of the Intermodal Transport in Northeast Asia" and "Promoting Close Cooperative Relations for Ports Sector."
- **4.6.** Japan will continue to lead "Standardization of Transport Items," "Efforts to Realize the Seamless Logistics System" and "Introducing Environmentally Friendly Logistics Policies."

**4.7.** Korea will continue to lead "Measures to Balance between Logistics Security and Efficiency," "Promoting Information Sharing and Cooperation on Sustainable Arctic Shipping" and "Logistics and Facilitating Trilateral Cold Chain Network."

# 5. Promotion of a Resilient Logistics Network

The disruption by COVID-19 in logistics, mainly in the areas of maritime and air transport, caused damage to the supply chain, which we had taken for granted, and reminded us of the importance of securing a resilient logistics network.

- **5.1.** We will strive to secure a resilient logistics network by strengthening cooperation among the three countries. We recognize the importance of the coordination in international logistics policies to address challenges that hinder the achievement of this goal and encourage our officials to continue to share experiences and best practices in international and domestic logistics policies with each other.
- **5.2.** We will promote information-sharing on logistics security and studies on logistics security technologies in the three countries in order to improve the safety and efficiency of logistics.

# 6. Creation of a Seamless Logistics System

With the progress of technological innovation and the spread of new lifestyles triggered by COVID-19, the seamless logistics that we have been working on since the 1st Ministerial Conference has become increasingly important, and there is benefit in the continued promotion of such efforts.

- **6.1.** Recognizing the importance of Digital Transformation (DX) in Logistics that will dramatically change the nature of logistics through automation and digitalization, we will promote the development of the transport and logistics sectors and ensure that the three countries play a leading role in this field.
- **6.2.** In order to promote Digital Transformation (DX) in Logistics, it is important to standardize each element of logistics as a prerequisite. We recognize that standardization of logistics leads to optimization of the entire supply chain, and from this perspective, we appreciate the achievements on the standardization of pallets by the Asian Pallet System Federation (APSF). We will continue to cooperate for the standardization of logistics items including pallets in the three countries.

- 6.3. We noted the expansion of the international cold chain network and an increase in the volume of fresh produce transport in response to lifestyle changes caused by COVID-19, and shared the view that a smooth cold chain network leads to achieving the Sustainable Development Goals (SDGs) by improving food safety and reducing food waste. To this end, we will cooperate on international standardization in the field of cold chain and encourage the implementation of joint studies.
- **6.4.** We recognized that mutual access of trailer chassis enables speedy and quality sea-land intermodal transport, thus improving connectivity among the three countries. In this regard, we will endeavor to promote mutual access of trailer chassis, taking needs of the private sector into consideration.
- **6.5.** We will continue to expand the coverage of ports participating in the information-sharing network and strengthen cooperation with ports in other regions in order to further enhance the information-sharing services in the NEAL-NET. We will also work to improve services based on the needs of NEAL-NET users in Asia and to strengthen connections with other transport modes.
- **6.6.** In order to determine the future direction of sea-land intermodal transport of containers and the nature of cooperation among the three countries, the three countries will research the current status and issues of sea-land intermodal transport and share information.

# 7. Establishment of Environmentally Friendly Logistics

As the leaders of the three countries expressed the goal of carbon neutrality in 2020, and social awareness of the need to address the SDGs is growing, it is getting more important to build a sustainable logistics network.

7.1. We will be looking for ways to establish environmentally friendly logistics. We recognized that carbon neutrality is a shared goal among the three countries. We will work to ensure the sustainability of the global environment by further improving the efficiency of logistics through promoting modal shifts, and by promoting carbon neutrality in each mode of transport and logistics facilities. We will enhance trilateral and public-private cooperation through sharing of policies in each country and strengthening joint studies for environmentally friendly logistics.

- **7.2.** We recognized that the use of Returnable Transport Items (RTI) would greatly contribute to reducing logistics costs with an eco-friendly logistics system, and we will cooperate in addressing the issues that hinder the expansion of RTI use.
- 8.1. We reaffirmed the Trilateral Cooperation Secretariat (TCS)'s role in advancing trilateral cooperation and expressed support for the broader participation of TCS in the trilateral transport and logistics mechanism. TCS celebrates its 10th anniversary this year and has held many events to promote cooperation among the three countries.
- **8.2.** We have started the operation of our official website on August 6, 2021 with full support from TCS. Through the official website, we will share the achievements of the past 15 years, facilitate cooperation and coordination among the three countries, exchange the three countries' policy and research. The website will also enable the people of the three countries to better access the information of the Ministerial Conference.
- **9.** The next Ministerial Conference will be hosted by China.
- 10. The Ministry of Transport of China and the Ministry of Oceans and Fisheries of Korea expressed their appreciation to the Ministry of Land, Infrastructure, Transport and Tourism of Japan and the City of Kobe, for hosting this Ministerial Conference.



# 2021 Progress Sheets of the Action Plans (PART I. Former Action Plans)

#### **PART I. Former Action Plans**

# 1. Promoting Information Sharing and Cooperation on Arctic Shipping and Logistics among the Three Countries (led by Korea)

Recognizing the importance of cooperating on Arctic shipping route, which is increasingly likely to be commercialized, the three countries will pursue mutual cooperation in areas such as information-sharing and joint research.

# < Progress >

CJK obtained the observer's status at the Arctic Council in May 2013, which laid the foundation for commitments to various activities within the Arctic area, such as the well-being of the inhabitants of the Arctic including indigenous peoples, sustainable development as well as environmental protection.

CJK recognized the importance of the Northern Sea Route (NSR) as one of the potential alternative routes in the future and sent experts to share information of the NSR at the Third to Ninth International Arctic Shipping Seminars in Korea (2014~2020).

Korea holds the International Arctic Shipping Seminar at the end of every year. To facilitate the informationsharing among the three countries, Korea calls for continuous participation and attention of the Chinese and Japanese sides to the seminar.

# 2. Efforts to Realize the Seamless Logistics System such as Promoting Mutual Access of Chassis (led by Japan)

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

# < Progress >

It is very important to promote mutual access of trailer chassis, as it surely contributes 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.

This is one of the initiatives that produced visible outcomes as a result of a Ministerial Conference. The pilot projects have first begun with the ones between China and Korea and expanded to the ones between Japan and Korea, and then to the ones between China and Japan.

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

#### (1)Between China and Korea

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

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 between 2014 and 2015.

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). As of the end of 2020, 2,355 trailer chassis from Korea, and 7 trailer chassis from China have been utilized for the mutual access project.

Apart from the above-mentioned mutual access of trailer chassis, in September 24-25, 2020, the Ministry of Land, Infrastructure and Transport of the Republic of Korea and the Ministry of Transport of the People's Republic of China held the video meeting and signed the minutes of the video meeting to cooperate a potential pilot project for "Sea-Air-Road" multimodal transport.

During the epidemic, the "Sea-Air-Road" multimodal transport model has enabled China and Korea to find its advantages. Two countries discussed to cooperate the potential pilot project to promote the case: (a)The discussed potential transport routes from China to Korea are: Weihai Dashuibo Airport to the Port of Weihai, the Port of Weihai to the Port of Incheon, and the Port of Incheon to Incheon International Airport (b)The discussed potential transport routes from Korea to China are: Incheon International Airport to the Port of Incheon, the Port of Incheon to the Port of Weihai, the Port of Weihai Dashuibo Airport

#### (2) Between Japan and Korea

The two countries have conducted a pilot project since October 2012 in line with Record of Decision Japan and Korea signed 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 in March 2013, Korean chassis were started to be operated between Japan and Korea. As of the end of 2020, a total of 52 chassis have operated. Due to COVID-19, some of its operations were curtailed.

The Korean side extended the term for exemption described in the Ordinance on Special Provisions for Automobile Management until the end of December 2021.

# (3) Between China and Japan

In October 2015, one chassis which satisfied vehicle safety standards in China and Japan has completed vehicle registration, then became ready for operation between the two countries.

The two countries have exchanged on possibility of conducting a pilot project of mutual access of trailer chassis. China have commissioned a research team to do a feasibility study on market demand and technical programmes. Japan is considering the feasibility of the demonstration transport.

The Taicang Port of Jiangsu Province of China have operated the pilot project of mutual access of trailer chassis with Shimonoseki port of Japan in 2013. But this project have been stopped in 2018.

# 3. Efforts to Establish an Inter-Connected Logistics Information Network among the Three Countries and Expand Its Application to Other Regions (led by China)

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

#### < Progress >

1. Improve toward expansion of Information Sharing Ports and Service Range:

Expansion of NEAL-NET service coverage to other areas, international organizations and countries. Like as the Eurasian Economic Union (EAEU), the United Nations Economic Commission for Europe (UNECE), the International Port Community Systems Association (IPCSA), the International Road Transport Union (IRU), ASEAN, the Greater Tumen Initiative (GTI) and so on.

- 2. Improve current provision status of container information to the efficiency of NEAL-NET data exchange and quality of query.
- 3. Expansion of NEAL-NET Service Field:
- (1).Proposed a new framework for NEAL-NET expansion, considering the cooperation with outer platforms,
- (2). Joint research to explore legal way for the data sharing.
- (3). Proposed Ferry Container Status Information Sharing among CJK and expanded the scope of users and allowed more users to access NEAL-NET services.
- 4. Improvement and activation of the NEAL-NET Logistics Information Standard:

Actively promotes cooperation with UNECE and IPCSA in international standards, and expands the international application of ISO23355 (Based on NEAL-NET standards).

# 4. Best Practice Sharing and Cooperative Development of the Intermodal Transport in Northeast Asia (led by China)

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. In addition, the three countries will examine possible solutions to exchange in the maritime transport and logistics and inter-modal field.

#### < 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 in May 2014 in Ningbo, China. However the scheduled workshop was not held.

In March 2017, China suggested that CJK begin research projects to identify potential demand for container rail-sea intermodal transport. Based on this proposal, China, Japan and Korea have conducted joint research on "Best Practice Sharing and Cooperative Development of the Intermodal Transport in Northeast Asia." The joint research aims at sharing the information and experience in the container rail-sea intermodal transport development, deepening common understanding, exploring the potential demand on container rail-sea intermodal transport among the three countries, and identifying the opportunities and challenges for container rail-sea intermodal transport. Up to now, we have formed an initial joint research report and conducted the research on four aspects: development status of container rail-sea intermodal transport in CJK, analysis of market demand and future development trend for container rail-sea intermodal transport in the Northeast Asia, and future development conception of container rail-sea intermodal transport in the Northeast Asia.

Recently, the China side has conducted a follow-up study on the development of China's container rail-sea intermodal transport. It shows the growth of intermodal transport scale is rapid, and the intermodal transport network is basically formed.

#### 5. Standardization and Returnable Use of Transport Items (led by Japan)

The three countries will promote standardization of logistics equipment which is being used in the three countries including pallets, and will cooperate to facilitate the returnable use of transport items.

#### < Progress >

CJK have respectively promoted the utilization of standard-sized pallets with related parties including government agencies, research institutions and/or the 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 Asian country including CJK).

Under the existing legal framework, Japan has reviewed pilot projects and pursued demonstration projects on facilitating the common, cross-border returnable use of transport items.

Korea analyzed the economic effect of introducing common returnable pallet among CJK, through a private-sector study titled "Analysis on the Economic Effect of CJK Pilot Project on Returnable-use of Pallets (Jul. ~Oct., 2015)." Also, Korea has reviewed possible bilateral pilot projects between Japan and Korea on the returnable use of pallets, including projects to verify the identicalness of returnable pallets.

Japan launched Japan-Korea demonstration projects on the returnable use of pallets (Jan.~Mar.,2016) through its private sector. In 2017, Japan conducted a comprehensive survey for the use of returnable transport items (RTI) in Northeast Asia and shared the results with China and Korea. Also Japan carried out a quantitative research for the merits of use of RTI in regard to cost, productivity and environmental effects. In order to move this Action Plan forward and share the results of research with China and Korea, Japan suggested to have expert meeting among CJK and realized to be held in March 2018 in Tianjin, China. Participants from public and private sectors of CJK deepened the recognition of importance of RTI and shared the view to cooperate continuously such as by information sharing or holding expert meeting.

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. The Asia Pallet System Federation has adopted six APSF standards, with T11 and T12 types as common pallet sizes, and has launched a roadmap committee in early 2020 to promote their standardization.

CJK has been striving to promote 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 efficient Northeast Asia logistics system. Accordingly, CJK has been making continuous efforts on building efficient and eco-friendly and low-cost Northeast Asia logistics system.

# 6. Promoting Close Cooperative Relations for Ports Sector (led by China)

The three countries will further strengthen close cooperative relations in the field of port in the three countries through Northeast Asia Port Director-General Meeting, and will endeavor to report the discussed outcomes to the Ministerial Conference.

#### < Progress >

The 15th Northeast Asia Port Director-General Meeting was held in Nanjing, China on November 23rd to 24th, 2014 with the 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 of "Port Transformation and Upgrading."

The 16th Northeast Asia Port Director-General Meeting was held in Kobe, Japan on November 1st to 2nd, 2015 with the main theme of "Attracting People to the Ports." China, Japan and Korea introduced the port development status of each country and had a warm discussion. The 16th Northeast Asia Port Symposium was held on November 3rd with the main theme of "Maritime Connectivity~People~" and "Maritime Connectivity~Logistics~."

The 17th Northeast Asia Port Director-General Meeting was held in Incheon, Korea on November 2nd to 3rd, 2016 with the main theme of "Harmonious Development of Port and City." China, Japan and Korea introduced the port development status of each country and had a warm discussion. The 17th Northeast Asia Port Symposium was held on November 4th with the main theme of "Port Policy against Changes in Global Circumstance" and "4th Industrial Revolution and Port."

The 18th Northeast Asia Port Director-General Meeting was held in Qingdao, China on November 6th to 7th, 2017 with the main theme of "Smart Ports." China, Japan and Korea introduced the port development status of each country and had a warm discussion. The 18th Northeast Asia Port Symposium was held on November 8th with the main theme of "Intelligent Logistics System" and "Automated Container Terminal."

The 19th Northeast Asia Port Director-General Meeting was held in Shizuoka, Japan on November 13th, 2018, with the main theme of "Mid- and Long-term Ports and Harbours Policies." China, Japan and Korea introduced the relevant port policies and cooperation between the three countries. The 19th Northeast Asia Port Symposium was held on November 14th with two topics of "Ocean Utilization for Area Planning and development" and "Coexistence of Nature, Scenery and Culuture."

The 20th Northeast Asia Port Director-General Meeting was held in Changwon, Korea on November 5th to 9th, 2019 with the main theme of "Green Port Policies." China, Japan and Korea introduced the relevant port policies and cooperation between the three countries. The 20th Northeast Asia Port Symposium was held on November 8th with the main theme of "Port Strategy to Prepare for International Environmental Regulations."

The 21st Northeast Asia Port Director-General Meeting, scheduled for 2020, was postponed for one year due to COVID-19 pandemic.

Three joint studies, 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)," were conducted from 2013 to 2015. "Recent Change of Coastal Environment and Countermeasures to Its Impact" as Japan-Korea joint research was conducted from 2014 to 2016.

Three joint studies, namely, "Comparative Study on Port legal Institutions of China, Japan and Korea (led by China)," "Promotion of Cruise Industry, Attracting People to the Ports (led by Japan)" and "Study on Handling Capacity for Efficient Development of Container Terminal (led by Korea)" were conducted from 2016 to 2018.

"Guideline for the Environment Friendly Port Management" as CJK joint research was conducted from 2017 to 2019.

# 7. Measures to Balance between Logistics Security and Efficiency (led by Korea)

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

#### < 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.

Korea has suggested that CJK first establish an information sharing mechanism that allows the three countries to examine information on container cargoes containing dangerous goods transported among CJK, except for strategic commodities, by reflecting the data into each country's information system, and then finalize details, including ways to share information, through consultations.

#### 8. Facilitation of Trilateral Cold Chain Network (led by Korea)

With regional cold chain market expanding, the three countries will share their experiences on establishing cold chain network and pursue conducting joint study. The three countries will continue to cooperate with the aim of facilitating trilateral cold chain network.

#### < Progress >

In the 6th CJK Ministerial Conference (Jul. 27~28, 2016, Hangzhou), CJK decided to promote new cooperative initiatives such as experience sharing on establishing cold chain network, and decided on the need for cooperation in this area.

Korea conducted study on "Facilitating Trilateral Cold Chain Network," and presented the progress it had achieved thus far in the 2nd CJK Directorial Meeting (Dec.,2017, Xiamen, China) held in preparation for the 7th CJK Ministerial Conference.

In the 1st CJK Director General Meeting held in June 2019 in preparation for the 8th CJK Ministerial Conference, Korea suggested first forming an expert group to promote understanding of cold chain network among the three countries and create an exchange and cooperation platform, and then conducting relevant seminars and joint research in phase.

# 9. Establishing Environmentally Friendly Logistics Policies (led by Japan)

The three countries will exchange their views on the environmentally less burdensome logistics policies.

#### < Progress >

Green Logistics Policy of Each Country

After the 5th Ministerial Conference, CJK have taken the following measures as green logistics policy in each country. CJK will make further efforts aiming at development of eco-friendly logistics system.

# (1) China

China has attached great importance to the environmental sustainability of logistics in recent years, which includes specific measures described as follows:

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" and "Work Plan of Curbing Greenhouse-Gas Emissions in Transportation Sector in the 12th Five-Year Development Plan," which was formulated by MOT of China.

China strengthened and improved the green logistics evaluation system by establishing a set of statistical monitoring index of energy-saving and emission reduction.

China is encouraging private enterprises to invest in the construction of transshipment station to increase transport efficiency and application of new energy transport devices, such as LNG vessel and hybrid vehicle.

China is developing green logistics technology in the field of highway and port.

#### (2) Japan

Based on the "Act of Logistics Integration and Efficiency," which was revised in May 2016, government of Japan provides support for initiatives such as modal shifts through the cooperation and collaboration of two or more parties and distribution/delivery system.

The Green Logistics Partnership Conference, which was established in April 2005 to promote CO2 reduction in the logistics field, supports the voluntary efforts of private companies to reduce CO2 emissions by providing awards for excellent projects.

In addition, "Realization of a Carbon-neutral and Decarbonized Society" is positioned as an important initiative in the "Masterplan of Comprehensive Logistics Policies" formulated by the Japanese government in June 2021.

# (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 (295 companies as of 2020). 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 22 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 reduce greenhouse gas emission in logistics, Korea is pursuing facilitation of third-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.

10. Cooperation on Projects and Policies under the Major Initiatives of the Three Countries	<u>s to</u>
Promote Regional Connectivity (Joint Action Plan)	
Recognizing the importance of transportation logistics in implementing their regional initiatives, the th	ree
countries will explore ways to share information and carry out cooperative projects.	

< Progress >

No update

# 11. Joint Efforts on the 4th Industrial Revolution for Transport Technologies (Joint Action Plan)

The three countries will work together to apply technologies of the 4th industrial revolution, i.e. IOT, AI, to transportation and logistics.

# < Progress >

#### (1)Korea

As the development of autonomous vessel technologies is promoted in the three countries, Korea has suggested establishing a consultative group consisting of CJK governments and experts to conduct expert meetings, including workshops, with a view to identifying areas for cooperation and information-sharing.

#### (2)Japan

Japan has been conducting demonstration tests of truck convoy driving on expressways using new technologies such as IoT, BD, and AI, promoting an attempt to realize "AI terminals which support human beings" that provide a favorable working environment and the world's highest level of productivity, and providing support for the introduction of machines for the practical use of drone logistics.

In addition, "Promotion of Digital Transformation in Logistics" is positioned as an important initiative in the "Outline of Comprehensive Logistics Policies" formulated in June 2021.

# 2021 Future Plan Sheets of the Action Plans (PART II. New Action Plans)

# **PART II. New Action Plans (After rearrangement)**

# 1. Cooperation and Coordination among the Three Countries toward a Resilient Logistics Network (Joint Action Plan)

The three countries will strengthen their cooperation to promote a resilient logistics network.

## < Future plan >

In order to jointly address problems that hinder logistics resilience, such as the shortage of containers and shipping capacity caused by the epidemic of COVID-19, and to realize a resilient logistics network, CJK will share experiences and best practices in relevant international and domestic logistics policies through the Directorial Meeting and other occasions.

In addition, under the premise of effective epidemic prevention and control, through compliant and transparent operating procedures, CJK will try to reduce trade barriers, avoid seizure of goods and trade disputes, open up barriers to cross-border logistics channels, and ensure smooth cross-border supply chain.

CJK will also strengthen work training of border clearance and domestic logistics personnel, enhance work efficiency, and improve the service quality of the entire chain from consignor to consignee.

# 2. Measures to Balance between Logistics Security and Efficiency (led by Korea)

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

# < Future plan >

The transport 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 jointly study to secure safety transport for dangerous goods among CJK and also to share best practices for safety control and monitoring of dangerous goods.

# 3. Promoting Information Sharing and Cooperation on Sustainable Arctic Shipping and Logistics (led by Korea)

Recognizing the importance of cooperating on sustainable use of Arctic shipping route, which is increasingly likely to be commercialized, the three countries will pursue mutual cooperation in areas such as information sharing.

#### < Future plan >

CJK will encourage information-sharing and cooperation among governments, research institutes, and businesses of the three countries in order to better utilize Arctic shipping route in a sustainable way.

Also, CJK will encourage experts from governments of China, Japan and Korea and research institutes to participate in annual international seminars held in Korea.

# 4. Promoting Digital Transformation (DX) in Logistics (Joint Action Plan)

The three countries will take the lead in revolutionizing the way of logistics through automation and digitalization, and promote the development of the transport and logistics sectors.

#### < Future plan >

CJK will focus on technological innovations in the fields of transport and logistics that have been brought about by the 4th Industrial Revolution, and promote "DX in Logistics" taking into account the perspective of new logistics services, such as contactless logistics, which have become increasingly important due to COVID-19. CJK will promote initiatives related to DX in Logistics, such as automatic driving and automatic shipping, and will share information through workshops and the Directorial Meeting.

CJK will try to promote a global logistics network based on blockchain, connect the logistics information of various countries and regions, promote an effective and integrated logistics traceability system, and reduce the number of inspections and the length of inspection time for goods in logistics chain.

In addition, CJK will use Internet of Things (IoT) to utilize industry supply chain data, and promote information exchange and sharing among supply chain entities, and strive to build a powerful information flow service system.

# 5. Standardization of Transport Items (led by Japan)

The three countries will promote standardization of transport items which are being used in the three countries including pallets.

# < Future plan >

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

CJK will cooperate to promote further usage of standard-sized pallets (hereinafter referred to as "the Pallets") and also promote usage of the Pallets and palletization through-transit to the ASEAN countries together with related parties including government agencies, research institutions and/or the Asia Pallet System Federation (APSF).

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

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

#### 6. Facilitating Trilateral Cold Chain Network (led by Korea)

With regional cold chain market expanding, the three countries will share their experiences on establishing cold chain network and pursue conducting joint study. The three countries will continue to cooperate with the aim of facilitating trilateral cold chain network.

# < Future plan >

Noting that global cold chain logistics is expanding and trilateral trade on agricultural produce are on the rise, and recognizing the need to facilitate cold chain network to ensure food safety and reduce food waste, CJK will share information through relevant experts, and will review possible joint study on market research and transport technology.

CJK will cooperate to provide opportunity for the public and the private sector to communicate. CJK will hold forums and come up with research topics such as identification/removal of obstacles to cold chain network. Korea will be leading efforts to draw up research plans soon and conduct research afterwards.

CJK will cooperate in standardization in the cold chain logistics and promote information-sharing.

# 7. Efforts to Realize the Seamless Logistics System (led by Japan)

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

#### < Future plan >

# (1) Between China and Korea

Based on the agreement signed by China and Korea, the two countries will endeavor to facilitate mutual access of trailer chassis as part of the first phase of the project.

The two countries will continuously explore the expansion measures of mutual access of trailer chassis with a tractor as part of the second phase of the project.

During the epidemic, the "Sea-Air-Road" multimodal transport model has enabled China and Korea to find its advantages. The two countries will enhance the efficiency of logistical services between China and Korea through the introduction and implementation of a Korea-China multimodal transport system which encompasses land, maritime and air transportation. Based on the previous cooperation, two countries discussed to cooperate pilot project to promote the case. The Ministry of Transport and the General Administration of Customs of the People's Republic of China and the Ministry of Land, Infrastructure and Transport and the Korea Customs Service of the Republic of Korea will sign the MOU to cooperate on pilot project.

# (2) Between Japan and Korea

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

# (3) Between China and Japan

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.

#### 8. Efforts to Establish and Expand an Inter-Connected Logistics Information Network (led by China)

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

#### < Future plan >

CJK will make effort on the following points by appropriately exchanging information, considering users' demands and situation of management:

Continually improve and promote NEAL-NET logistics information sharing standard;

Increase information sharing port;

Promote the popularization of NEAL-NET in CJK;

Explore and deepen logistics information sharing service areas;

Steadily advance international exchange and cooperation.

CJK will endeavor to continually increase the number of information-sharing ports through NEAL-NET, will mutually cooperate in order to share NEAL-NET network with other countries and regions such as ASEAN, the International Port Community Systems Association (IPCSA), EU, the Eurasian Economic Union (EAEU), the International Road Transport Union (IRU), and the Greater Tumen Initiative (GTI), etc. CJK will continue to develop various NEAL-NET supplementary services based on user's demand and enhance user's experience in order to promote NEAL-NET cooperation. CJK confirmed the necessity to check the progress of the Future Work Plan in the expert meeting on a regular basis.

# 9. Best Practice Sharing and Cooperative Development of the Intermodal Transport in Northeast Asia (led by China)

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.

# < Future plan >

CJK will further develop cooperation of the three countries in the field of container rail-sea intermodal transport, share the best practices in the three countries, refine the joint research report, and in-depth research on using cross-border transport to carry out rail-sea intermodal transport.

# 10. Promoting Close Cooperative Relations for Ports Sector (led by China)

The three countries will further strengthen close cooperative relations in the field of port in the three countries through Northeast Asia Port Director-General Meeting, and will endeavor to report the discussed outcomes to the Ministerial Conference.

# < Future plan >

The 21st Northeast Asia Port Director General Meeting & Port Symposium will be hosted by China. The timing and format of the meeting are yet to be determined. There will be the introduction of port development status of each country, the report of the progress of the joint studies and research and the discussion about the next Director-General Meeting. The minutes of the Director-General Meeting will be signed at the end.

# 11. Introducing Environmentally Friendly Logistics Policies (led by Japan)

The three countries will exchange their views on the environmentally less burdensome logistics policies.

## < Future plan >

For the purpose of establishing environmentally friendly logistics (Green Logistics), CJK will promote efforts to achieve carbon neutrality in the field of logistics, and strengthen trilateral and private-public cooperation through sharing each country's policy and enhancing joint studies, such as by conducting expert meetings, facilitated by the Trilateral Cooperation Secretariat (TCS).

CJK will share research findings and make further efforts to facilitate the use of returnable transport items (RTI), such as by conducting expert meetings, facilitated by the TCS, cooperating with related parties such as APSF.

CJK will promote the introduction of Radio Frequency Identification (RFID) or barcode systems on standard pallets for returnable-reuse to enhance common use between countries through pallet tax exemption. This will greatly contribute to reducing logistics costs with an eco-friendly logistics system.