

**JOINT STATEMENT  
OF THE 7<sup>TH</sup> CHINA-JAPAN-KOREA MINISTERIAL CONFERENCE  
ON TRANSPORT AND LOGISTICS**

**Seoul, Korea  
18 July 2018**

1. We, the Transport and Logistics Ministers of China, Japan, and Korea, held the 7th Ministerial Conference on Transport and Logistics in Seoul, Korea on 18 July 2018. The three countries highly appreciated the progress of Action Plans during the previous six ministerial conferences, rearranged the Action Plans to ensure their effective and continuous progress, and encouraged continuous achievements of the Action Plans.
  
2. We recognized that China, Japan, and Korea play a critical role in the development of world economy and trade. The total aggregated GDP of the three countries is approximately 23.1% of the world economy in 2017 (IMF), and the trade value generated by the three countries amounted to approximately USD 6,527billion, accounting for 18.4% of the world total in 2017 (IMF). The three countries are becoming increasingly important as the pillars of Asia's prosperity and as the hub of peace and prosperity of Northeast Asia and the entire world.
  - 2.1. We realized that the transport and logistics sectors play the role of a smooth vehicle for foreign trade and serve as the foundation for economic growth. We also realized that it is essential to deepen and expand cooperation among the three countries in the transport and logistics industry to facilitate trade, develop a future-oriented transport and logistics industry, and achieve peace and prosperity in Northeast Asia.
  
3. We will carry on the spirits of the 7<sup>th</sup> ROK-China-Japan Trilateral Summit meeting held in Tokyo, Japan on 9 May 2018. In particular, as stated in the Joint Declaration, we will "recognize the importance for this region to be better connected and are committed to pursuing trilateral dialogue and consultation in order to enhance regional connectivity and infrastructure cooperation to benefit the East Asian region as a whole." We will also "acknowledge the value

of the ongoing cooperation among the three countries in the fields of customs and transport for ensuring trade facilitation and security.”

4. Since the 1st CJK ministerial conference on transport and logistics 12 years ago, the three countries have identified and carried out 12 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.” Considering the changes in logistics policies and technological innovation in this area, the three countries rearranged the Action Plans into 11 at this year’s 7th ministerial conference, thereby further specifying the nature of trilateral cooperation. The details of the Action Plans can be found in the Annex attached herein. Part 1 of the Annex contains Former Action Plans, while Part 2 defines New Action Plans, which will be implemented henceforth.

4.1. The three countries shared the view to reorganize the Action Plans considering the level of progress and the structure of agenda. Each country will be leading 3 Action Plans respectively, and jointly manage 2 Action Plans.

4.2. The Joint Action Plans will be “Cooperation on projects and policies under the major initiatives of the three countries to promote regional connectivity.”; and “Joint efforts on the 4<sup>th</sup> Industrial Revolution for transport technology”.

4.3. Korea will be leading (Action Plan 1) Promoting information sharing and cooperation on arctic shipping and logistics among the three countries; (Action Plan 7) Measures to balance between logistics security and efficiency; and (Action Plan 8) Facilitation of trilateral cold chain network.

4.4. China will be leading (Action Plan 3) Efforts to establish an inter-connected logistics information network among the three countries and expand its application to other regions; (Action Plan 4) Best-practice sharing and cooperative development of intermodal transport in Northeast Asia; and (Action Plan 6) Promoting close cooperative relation for ports sector..

- 4.5. Japan will be leading (Action Plan 2) Efforts to realize the seamless logistics system such as promoting mutual access of chassis; (Action Plan 5) Standardization and returnable use of transport items; and (Action Plan 9) Establishing environmentally friendly logistics policies.
5. We confirmed the “Progress” of the former Action Plans and “Future Work” of the Rearranged Action Plans, which are attached herein and reached the following consensus for constant cooperation:

### **5.1. Creation of a Seamless Logistics System**

We recognized that mutual access of trailer chassis plays a key role in realizing efficient and speedy logistics as it improves connectivity between sea and land. In this regard, the three countries will endeavor to promote the three countries’ access to sea-land intermodal trailer chassis, and to this end, will work toward mutual access of trailer chassis.

China and Korea will endeavor to enable mutual access of trailer chassis based on signed agreements, and Korea and Japan will expand the ongoing pilot projects after identifying demand of consignors and logistics companies. China and Japan will continue to more closely cooperate on pilot projects for the mutual access of trailer chassis.

We will further improve and activate the information-sharing service under NEAL-NET, increase the number of ports participating in the information-sharing network, and expand the means of transportation taking part in the service. Also, we will work toward popularizing NEAL-NET in Asia, begin joint study on intermodal transport among countries, and continue to strengthen international exchanges and cooperation.

We will make constant efforts to establish low-cost, environmentally friendly and highly-productive logistics system. We will share research findings and make further efforts to promote international use of returnable transportation items. In an effort to contribute to

realizing seamless logistics in Northeast Asia, we will continue to promote the use of standardized pallets and engage in cooperation in this area. We will make efforts for developing national standards of pallets and encourage research on the possibility of standardizing and popularizing various returnable transportation items as represented by pallet.

We will share best practices and information on developing sea-rail transport of containers, and thereby increase mutual understanding in this field. We will also identify potential demand for trilateral sea-rail intermodal transport of containers, and find opportunities and challenges in this area.

The three countries noted the expansion of international cold chain networks and increase in the volume of fresh produce trade among the three countries, and shared the view on establishing smooth cold-chain network to improve food safety and reduce food waste. To this end, we will encourage the implementation of joint study, and establishment of a cooperative platform.

## **5.2. Establishment of Environmentally friendly Logistics**

The three countries will be looking for ways to establish environmentally friendly logistics. We recognized that global warming and air pollution present common challenges. As more parties related with supply chain are becoming environmentally-conscious, the interest for environmentally friendly logistics is rising within the three countries. In this regard, we recognized that the various projects implemented under this ministerial conference have significant meaning for the establishment of environmentally-friendly logistics. In this sense, we will strengthen trilateral and private-public cooperation, share each country's environmental policy and enhance joint study for environmentally friendly logistics.

## **5.3. Achievement of Balance between Logistics Security and Efficiency**

We will jointly respond to the changing international landscape on logistics security, and encourage the information-sharing on trilateral logistics security education to effectively foster a culture that values logistics security.

In order to improve logistics security and efficiency, we will encourage and cooperate with the three countries' research institutes and the private sector on their research of logistics security technology.

**6. Strengthening Cooperation on Projects and Policies under the Major Initiatives of the Three Countries to Promote Regional Connectivity.**

**6.1.** We recognize the role that major initiatives, namely, China's "Belt and Road" initiative, Japan's "Expanded Partnership for Quality Infrastructure", and Korea's "New Northern Policy and New Southern Policy" play in transport development.

**6.2.** Following up the Joint Declaration of the 7th China-Japan-ROK Summit Meeting on strengthening cooperation in regional connectivity and infrastructure, we will further promote connectivity of transport infrastructure and sharing of policies, rules and standards.

**7. Strengthening Joint Efforts on the 4th Industrial Revolution for Transport Technologies.**

**7.1.** Recognizing that industries related to Fourth Industrial Revolution will have significant impact on the transport and logistics sectors, we will strengthen trilateral cooperation in these areas.

**7.2.** The three countries will promote the forward-looking development of the transport and logistics sectors and ensure that the three countries play a leading role in this field amidst the global wave of 4<sup>th</sup> industrial revolution. To this end, the three countries will make joint efforts for the realization of smart transport technologies such as automated driving and Maritime Autonomous Surface Ship (MASS). We will also cooperate on development of international regulations at relevant international organizations.

## **8. External Cooperative Framework**

**8.1.** We established an official homepage in July, 2018 with the full support from Trilateral Cooperation Secretariat (TCS), in an effort to share the achievements of the past 12 years, facilitate consultation process among the three countries, and enable the people of the three countries to better access the ministerial conference on transport and logistics. TCS will manage the official homepage, which will be up and running on the occasion of the 7<sup>th</sup> Ministerial Conference.

**8.2.** Through the official homepage, we will share the three countries' policy papers and research papers, and engage in constant communication.

**8.3.** 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.

**9.** The next Ministerial Conference will be held in Japan in 2020.

**9.1.** We decided to meet for the Ministerial Conference every two years and hold working-level meetings regularly to prepare for the Conference: two director-level meetings and one director-general meeting. Additional meetings may be held, if necessary, under agreement among the three countries.

**10.** The Ministry of Transport of China and the Ministry of Land, Infrastructure, Transport and Tourism of Japan expressed their appreciation to the Ministry of Oceans and Fisheries, Republic of Korea, for hosting the Conference and extending warm hospitality rendered to the delegations.

**[Annex]** 2018 Action Plan (Part I/ Part II)



For the Ministry of Oceans and  
Fisheries of the Republic of Korea

**KIM Young-Choon**

Minister of Oceans and Fisheries

For the Ministry of Transport of the  
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On behalf of the Minister

For the Ministry of Land,  
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Parliamentary Vice-Minister of  
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On behalf of the Minister

## ANNEX-

### ACTION PLANS FOR THE 7<sup>TH</sup> CJK MINISTERIAL CONFERENCE

#### PART I. Former Action Plans

##### **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>**

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 eco-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 International Arctic Shipping Seminars (27<sup>th</sup> November, 2014/ Ulsan), Fourth International Arctic Shipping Seminars (26<sup>th</sup> November, 2015/ Ulsan), Fifth International Arctic Shipping Seminars (8<sup>th</sup> December, 2016/ Busan), Sixth International Arctic Shipping Seminars (14<sup>th</sup> December, 2017/ Busan).

## **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>**

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 between related countries.

This is one of the initiatives that saw visible outcomes as a result of a ministerial conference. The pilot projects have first begun with the ones between Korea and China and expanded to the ones between Korea and Japan, 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 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). As of the end of 2017, 1,252 trailer chassis from Korea, and 7 trailer chassis from China have been utilized for the mutual access project.

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.

## **(2) Between Japan and Korea**

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. As of the end of 2017, a total of 52 chassis have 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.

## **(3) Between China and Japan**

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. China have commissioned a research team to do a feasibility study on market demand and technical programmes.

### **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 information network (NEAL-NET).

#### **<Progress>**

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, CJK completed the revision of NEAL-NET manager's manual and agreed on the release method. In addition, through continuous research and discussion of the NEAL-NET standards, CJK added new customs clearance standard code set in the United Nations UN / CEFAC standardization agency in June 2017. In August 2017 CJK carried and shared the results of NEAL-NET questionnaire for the needs of NEAL-NET users and several logistics companies on which kind of information are necessary. According to the questionnaire results, CJK start to improve the existing service quality of NEAL-NET by simplifying and improving the NEAL-NET interconnection interface and standards.

At the same time , NEAL-NET cooperates with Alibaba Group and IPCSA to set up a new logistics data working group (ISO/TC 154/JWG8) to further advance the NEAL-NET standards into an international standard

Deepen technical cooperation, and continually upgrade port interconnection technology

service

The three countries completed NEAL-NET Unified User Management and Authentication, ports interconnection technology upgrading, 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.

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. CJK 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 of realizing logistics information sharing. At the 22nd Technical Meeting, China invited International Port Community System Association (IPCSA) and Port Antwerp, Port Abu Dhabi, Port Klang to participate in the technical meeting to share information on multimodal transport and DGM in Europe and introduce Port Klang Net to lay the foundation for the future cooperation between NEAL-NET and Europe, Middle East and Southeast Asia.

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 2 ISO TC 204 group meetings in Auckland, New Zealand and Paris, France. In 2017, NEAL-NET joined IMO technical assistance project to go to Cambodia and Myanmar to investigate the feasibility of NEAL-NET promotion.

Additionally, NEAL-NET participate in the IMO Facilitation Committee 40th session, World Maritime Day, IPCSA annual conference and other activities, NEAL-NET made speech and introduced the development progress of NEAL-NET in the meeting,

improving NEAL-NET reputation and influence.

#### **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>**

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.

On March 2017, China suggested that CJK begin research projects to identify potential demand for sea-rail container 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, experience and best practice in 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, future development conception of container rail-sea intermodal transport in the Northeast Asia.

## 5. Standardization of logistics equipment

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

Understanding that it is essential to set/promote common national standards regarding transport items including pallets to realize through-transit palletization and eco-friendly logistics through promotion of returnable-use of transport items, 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).

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

Korea analyzed the economic effect of introducing common returnable pallet among three countries, through a private-sector study titled “Analysis on the economic effect of CKJ pilot project on returnable-use of pallets (15.7~10).” Also, Korea has reviewed possible bilateral pilot projects between Korea and Japan on the returnable use of pallets, including projects to verify the identicalness of returnable pallets.

Japan launched Korea-Japan demonstration projects on the returnable use of pallets (’16.1~3) through its private sector. (This part moved from AP1 to AP5). In 2017, Japan

conducted a comprehensive survey for the use of returnable transport items in Northeast Asia and shared the results with ROK and China. Also Japan carried out a quantitative research for the merits of use of returnable transport items in regard to cost, productivity and environmental effects. In order to move this action plan forward and share the results of research with ROK and China, 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 the three countries deepened the recognition of importance of returnable transport items 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 palettes.

## 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>

The 15<sup>th</sup> Northeast Asia Port Director-General Meeting was held in Nanjing, China on November 23<sup>rd</sup> to 24<sup>th</sup>, 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 15<sup>th</sup> Northeast Asia Port Symposium was held on November 25<sup>th</sup> with the main theme of “Port Transformation and Upgrading”.

The 16<sup>th</sup> Northeast Asia Port Director-General Meeting was held in Kobe, Japan on November 1<sup>st</sup> to 2<sup>nd</sup>, 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 16<sup>th</sup> Northeast Asia Port Symposium was held on November 3<sup>rd</sup> with the main theme of “Maritime Connectivity~People~”, “Maritime Connectivity~Logistics~”.

The 17<sup>th</sup> Northeast Asia Port Director-General Meeting was held in Incheon, Korea on November 2<sup>nd</sup> to 3<sup>rd</sup>, 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 17<sup>th</sup> Northeast Asia Port Symposium was held on November 4<sup>th</sup> with the main theme of “Port Policy against Changes in Global Circumstance” and “4<sup>th</sup> Industrial Revolution and Port”.

The 18<sup>th</sup> Northeast Asia Port Director-General Meeting was held in Qingdao, China on November 6<sup>th</sup> to 7<sup>th</sup>, 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 18<sup>th</sup> Northeast Asia Port Symposium was held on November 8<sup>th</sup> with the main theme of “Intelligent Logistics System” and “Automated Container Terminal”.

## **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>**

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.

## **8. Promoting mutual exchanges, cooperation and joint research**

The three countries endeavor to develop a joint research guideline to conduct joint studies for logistics cooperation in Northeast Asia more systematically.

**<Progress>**

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.

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.

In order to realize the seamless logistics system in Northeast Asia, both Korea and Japan have shared the view to survey the need of mutual operation of trailer chassis and share the result.

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.

Also, joint study on sea-rail container intermodal transport is in progress under Action Plan 4. (Exchange of information on maritime transport and logistics in Northeast Asia).

Former Action Plan 8 (Promoting Mutual Exchanges, Cooperation and Joint Research) shall be deleted. However, joint study under each Action Plan will continue, and the three countries will endeavor to manage and share the results of joint studies.

**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>**

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 Korea-Japan 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) have been in progress since 2016 until 2018. “Guideline for the environment friendly port management” as CJK joint research has been in progress since 2017 until 2019.

Former Action Plan 9 shall be merged with New Action Plan 6 (Promoting Close Cooperative Relation for Ports Sector).

## **10. Establishing environmentally friendly logistics policies**

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

**<Progress>**

### **Green logistics policy of each country**

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.

### **(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”, “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.

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

Encouraging private enterprises to invest in the construction of station of drop and pull transport to increase transport efficiency.

Promotion of application of new energy transport devices, such as LNG vessel, hybrid vehicle.

Developing green logistics technology in the field of highway and port.

### **(2) Japan**

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.

And make further efforts to reduce environmental burdens based on the “Comprehensive Logistics Policy”, released in July 2017, a four-year logistics plan of the government.

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. (After the revision of the Law in June 2018, the extent of cargo owners under the obligation was expanded.)

Developing road network which contribute to smoothing traffic stream, and discussing management on freight car transport by utilizing ITS (ETC, VICS and ITS Spot).

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 new type freight cars for railway transport.

Promotion of joint distributes/delivery systems by collaboration with cargo owners and

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.

## **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>**

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

(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", which was revised in May 2016, the government has promoted comprehensive and efficient logistics through certification system for comprehensive and efficient logistics plan. 81 plans have been certified as of end of the March 2018. 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.

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.

Former Action Plan 11 shall be deleted.

## **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>**

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. However, there have been delays in conducting questionnaires, .

Former Action Plan 12 shall be deleted.

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

### **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.

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

Promoting information sharing and cooperation on arctic shipping and logistics among the three countries, which fell under the second part of Former Action Plan 1 (Solutions to problems in making inroads into foreign countries), shall become New Action Plan 1.

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

In particular, the three countries will follow the ongoing joint study among 5 countries – Korea, China, Japan, Russia, and Norway.

Also, the three countries will encourage experts from China and Japan's governments and research institutes to participate in annual international seminars held in Korea.

### **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 in Northeast Asia.

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

Former Action Plan 2 shall become New Action Plan 2 and be renamed as “Efforts to Realize the Seamless Logistics System such as Promoting Mutual Access of Chassis”.

**(1) Between China and Korea**

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 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.

**(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 consignors and logistics enterprises 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.

**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).

**<Future Plan>**

Former Action Plan 3 shall become New Action Plan 3 and be renamed as “Efforts to establish an inter-connected logistics information network among the three countries and

expand its application to other regions”.

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

Continually improve and promote NEAL-NET logistics information sharing standard

According to international logistics information sharing needs, CJK will maintain and improve NEAL-NET existing standard, and strengthen study and discussion on possibility of expanding the status to customs clearance standard, permission of delivery from Container Yards etc.. At the same time, NEAL-NET will actively participate in the ISO working meetings and standards research to improve the internationalization of NEAL-NET standard. NEAL-NET will cooperate with IPCSA, APMEN and APSN to promote NEAL-NET standards in Europe, Southeast Asia and Middle East region.

Increase information sharing port and explore logistics information sharing service area

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

The three countries will endeavor to increase 8 new ports. China will open Dalian port, Beihai port, Fangcheng port and Qinzhou, Japan will open Niigata port and Yokkaichi port, Korea will open Ulsan port and Pyeongtaek –Dangjin port.

At the same time, CJK will carry out interconnection with various shipping companies, shipping information platforms and other specialized enterprises to unify port data, broaden NEAL-NET’s network data sources.

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.

Explore and deepen logistics information sharing service areas

On the basis of marine cooperation, NEAL-NET will 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.

Steadily advance international exchange and cooperation

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

#### **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 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>**

Former Action Plan 4 shall become New Action Plan 4 and be renamed as "Best practice sharing and cooperative development of the intermodal transport in Northeast Asia".

We will further develop cooperation of the three countries in the field of 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 transportation to carry out rail-sea intermodal transport.

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

The three countries can 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.

**<Future Plan>**

Former Action Plan 5 shall become New Action Plan 5 and be renamed as “Standardization and returnable use of transport items”.

New Action Plan 5 shall include Standardization of Logistics Equipment (Former Action Plan 5) and Promoting the Common Use of Returnable Pallets (under Former Action Plan 1).

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.

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

Korea will promote demonstration projects at the private-sector level, after which it will propose the beginning of Korea-Japan bilateral pilot projects.

**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 Meeting.

**<Future Plan>**

Former Action Plan 6 and Former Action Plan 9 shall be merged into New Action Plan 6. Former Action Plan 9 shall be deleted.

The 19<sup>th</sup> Northeast Asia Port Director General Meeting & Port Symposium will be held in Shizuoka, Japan on November 12<sup>nd</sup>-14<sup>th</sup>. 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.

**7. Measures to balance between logistics security and efficiency (led by Korea)**

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.

**<Future Plan>**

New Action Plan 7 shall have the same title and content as Former Action Plan 7.

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.

## **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.

### **< Future Plan >**

NAP.8. is newly introduced as a result of Action Plan Rearrangement.

In the 6<sup>th</sup> CKJ ministerial meeting (‘16.7.27~28, Hangzhou), the three countries agreed to promote new cooperative initiatives such as experience-sharing on establishing cold chain network, and agreed 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 2<sup>nd</sup> CKJ director-level meeting (‘17.12, Xiamen, China) held in preparation for the 7<sup>th</sup> CKJ ministerial meeting.

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,

The three countries will share information through relevant experts, and will review possible joint study on market research and transport technology.

The three countries will cooperate to establish a platform where the public and the private sector can communicate. Through this platform, the three countries 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.

## **9. Establishing environmentally friendly logistics policies (led by Japan)**

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

**<Future Plan>**

New Action Plan 9 shall have the same title and content as Former Action Plan 10.

For the purpose of establishing an environmentally friendly logistics (Green Logistics) system, the three countries will strengthen trilateral and private-public cooperation through sharing each country's policy and enhance joint study for environmentally friendly logistics, such as by conducting expert meetings, facilitated by the Trilateral Cooperation Secretariat (TCS).

**10. Cooperation on projects and policies under the major initiatives of the three countries to promote regional connectivity (Joint Action Plan)**

Recognizing the importance of transportation logistics in implementing their regional initiatives, the three countries will explore ways to share information and carry out cooperative projects.

**<Future Plan>**

NAP.10. is newly introduced as a result of Action Plan Rearrangement.

Under the major initiatives of the three countries such as China's "Belt and Road Initiative", Japan's "Expanded Partnership for Quality Infrastructure", and Korea's "New Northern Policy and New Southern Policy", the three countries will continue to improve connectivity in transportation infrastructures and facilitate logistics networks as part of an effort to carry out the policies for boosting regional connectivity. The three countries will also continue to share each other's best practices, policies, rules and standards by carrying out joint research and projects.

## **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 4<sup>th</sup> industrial revolution, i.e. IOT, AI, to transportation and logistics.

### **<Future Plan>**

NAP.11. is newly introduced as a result of Action Plan Rearrangement.

In response to the new developments in transport and logistics sectors brought by the 4th Industrial Revolution, the three countries will enhance communication and exchanges in smart transport technologies such as automated driving and MASS through workshops or meetings.