



ANNEX

2014 Progress and Future Plan Sheets of the Action Plans



Action Plan 1

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

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

Progress/ Future Plan

<Progress>

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

CJK recognized the importance of the returnable pallets system for the establishment of efficient Northeast Asia logistics system, and agreed upon the strong need of tax exemptions on re-exported and re-imported pallets and of setting up the standard of pallets quality. Accordingly, CJK has been making continuous efforts on building returnable system on pallets that enables the creation of efficient and co-friendly and low-cost Northeast Asia logistics system.

In order to encourage the utilization of returnable pallets, which is the logistics container used for cargo export and import among the three countries, China, Japan and Korea jointly conducted a study on comparing and analyzing the laws and regulations on customs procedures and tax exemptions of re-exported and re-imported pallets. The three countries also discussed and shared the measures on resolving problems with regards to the adoption of current laws and regulations on the procedures of tax exemption for re-exported and re-imported pallets.

Japan has been trying promotion of utilization of returnable pallets. For example, made special exemption for AEO companies to simplify import and export procedure for tax-exemption of returnable containers in October 2012.

Also Japan and Korea, the two countries have started discussions on the measures, within the framework of current legislation, to push ahead with pilot project to facilitate the use of returnable pallets, and based on the result, the pilot project will be conducted.

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.

<Future Plan>

For further promoting the returnable pallets system among CJK, the three countries will



make continuous efforts to take actions for improving inappropriate logistics related institutions and systems. To this end, the governments of CJK will closely work with each other, especially with the customs-related authorities of each country.

CJK confirms their commitment on making efforts for exchanging information on the Northern Sea Route in order for sustainable development.



Action Plan 2

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

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

Progress/ Future Plan

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

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

1. Between China and Korea

<Progress>

- The two countries signed “The Agreement between the Government of the Republic of Korea and the Government of the People’s Republic of China on Sea-Land Intermodal Freight Vehicle Transportation” in September and carried out mutual access of trailer chassis since December, 2010.
- The two countries have transported cargoes using trailer chassis between their ports such as Incheon, Pyeongtaek, Gunsan (Korea), Weihai, Qingdao, Rizhao, Rongcheng, and Shidao (China).
- Moreover, the two countries established a cooperation committee and have held regular meetings to smoothly operate intermodal transportation projects planned under the agreement as well as to address involving problems.
- The 4th Cooperation Committee on Sea-Land Intermodal Freight Vehicle Transportation was held in Lianyungang, China in February, 2014. At the committee, the two countries agreed to additionally open the Pyeongtaek- Lianyungang route which covers Jiangsu.

<Future Plan>

- To expand the second stage project of Intermodal transport between China and Korea, The two countries will promote experts’ meeting in order to exchange information and results from joint researches



2. Between Japan and Korea

<Progress >

- The two countries have conducted a pilot project since October 2012 in accordance with Record of Decision Japan and Korea concluded in July 2012. In the pilot project, automobile parts have been transported utilizing both Japanese and Korean chassis between the Busan Port and the Shimonoseki Port under cooperation with the Government and private companies including cargo owners and logistics service providers.
- Firstly on October 2012, Japanese chassis started to be operated, secondly on March 2013, Korean chassis started to be operated between Japan and Korea. Currently total 20 Japanese chassis and total 8 Korean chassis are operated.
- Further, to deepen mutual understanding on detailed procedures in both countries concerning mutual access of trailer chassis to continue/improve smooth operation of pilot project, the two countries held experts' meeting in Busan, Korea on March 2014 and exchanged information on each laws/regulations, operational rule.

<Future Plan>

- Concerning the existing pilot project, the two countries will make efforts for the following to expand the pilot project.
 - To extend the term for exemption described in Ordinance on Special Provisions for Automobile Management.
 - To add a route between the Busan Port and the Hakata Port
- The two countries will explore possibility of new pilot project in terms of route and items, considering demands of consigners and logistics enterprises through reviewing the result of the existing pilot project.

3. Between China and Japan

<Progress >

- The two countries have exchanged on possibility of conducting a pilot project of mutual access of trailer chassis.
- Japan had independently conducted survey on possibility of mutual access of trailer chassis between China and Japan for two years from 2012, and shared the summary of issues emerged from this survey with China.

<Future Plan >

- The two countries will jointly further explore conducting a pilot project in view of result of this survey through cooperation, such as establishing expert meeting.



Action Plan 3

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

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

Progress/ Future Plan

<Progress>

1. The Formulation of basic standard of port logistics information sharing in container transport area has achieved substantial progress.

- During 12 times technical meetings, technical experts conducted the intensive study on the technical issues of dynamic vessel status and container status information sharing. The consensus on the data elements, code system and interface was reached. These standards are referred as NEAL-NET Standards.

2. The pilot project of port logistics information sharing among the Three Countries has obtained periodic achievement

- The pilot participants of the Three Countries, namely the Yingkou port, Yantai port, Weihai port, Qingdao port, Tianjin port, Ningbo-Zhoushan port, Rizhao port, Shekou port, Lianyungang port of China, Tokyo-Yokohama port, Osaka port, Kawasaki port, Kobe port of Japan, and Busan port, Incheon port, Kwangyang port of Korea basically reached the goal of dynamic vessel status information sharing, and Ningbo-Zhoushan port, Yantai port of China, Tokyo-Yokohama port of Japan, and Busan port of Korea also reached the goal of container status information sharing.

3. Initiated the development of NEAL-NET Unified User Management

- Based on pilot port services provided through NEAL-NET standards separately, the registered users are not convenient to login into the services, and one country's user is not able to use other countries' services, so it is necessary to establish a mutual trust unified user management mechanism in the three countries.
- After deep discussions, technical experts from China, Japan and Korea finished the requirement analysis of Unified User Management by December, 2013 and preliminary design & detailed design by February, 2014, and they also completed the development by the end of April, 2014. Based on the agreement reached by the three countries, the Internal Testing & Coding Amending and CJK Joint Testing & Coding Amending & Deployment will be completed by end of June and end of August, 2014 separately.

4. Constantly improved the organizational system

- According to the operational needs, timely adjust the personnel of Steering Committee, Council and Secretariat, and intake the authorities of logistics industry, associations, port authorities, logistics enterprise, IT companies, research institutes and universities as Network members. In the NEAL-NET 3rd Joint Steering Committee Meeting and Council



Meeting in August, 2014, the name list of Joint Steering Committee and Council was renewed and the chair country was transferred from China to Japan.

5. Strengthened the promotion, and enhanced 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. So far, 17 brief reports have already been released; the upgrade and revision of web portal have already been completed.

6. Enhanced the range of NEAL-NET cooperation to realize logistics information sharing among different countries and regions

- Asia-EU Logistics Information Sharing Cooperation Workshop was held twice in China and Europe separately and the two sides established the communication mechanism and are seeking cooperation opportunities to do pilot projects together to enhance the logistics information sharing internationally.
- The 37th APEC Transportation Working Group was held in Ho Chi Minh, Vietnam from April 8th to 12th. NEAL-NET attended this meeting with the Ministry of Transportation of China delegation group and participated in the workshop of IIEG working group as well. NEAL-NET introduced the development progress of NEAL-NET in IIEG (multimodal transport and intelligent transportation working group).

<Future Plan>

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

1. Promote NEAL-NET standard application in the three countries and improve NEAL-NET information sharing service continually

- We will expedite the promotion of the pilot project of China-Japan-Korea port logistics information sharing. On the basis of the interface opening and the pilot project early on, we should enlarge the pilot scope and admit more ports and logistics enterprises to participate in the pilot project. China will make effort to expand immediately covered ports to other major ports. In order to improve data, service speed and quality, CJK will discuss on possibility of implementing push service and also conduct joint research project such as feasibility of utilization of logistics big data. Continuously we will improve the trans-national user management and authentication mechanism to realize highly effective, secure, trans-national and all service oriented logistics information sharing.

2. Define, maintain and promote logistics information sharing standards.

- According to the requirement of international logistics information sharing, we will devote to improve NEAL-NET Port Information Sharing Standard, and keep data elements, vocabulary, code system, business documents and status structure well maintained.
- At the same time, communicate with global standard organization such as UN/CEFACT, ISO and GS1 to increase the influence of NEAL-NET standard, and push forward NEAL-



NET Standard to become a well accepted and widely used de facto information sharing standard in the industry.

3. Promote NEAL-NET standard and cooperation mechanism through ADB project

- Asian Development Bank research project of the Formulation of the Northeast Asia Logistics Information-Sharing Network Development Program and Organizational Mechanism is a technical assistance project which will assist NEAL-NET to do relevant research in this field and formulate roadmap of NEAL-NET future development strategy, especially the expansion strategy of NEAL-NET standard to other Asian countries and regions.

4. Explore and deepen logistics information sharing service area

- For the supply chain visibility, we should promote the port logistics information sharing and at the same time seek for nodes in land transport according to needs of the Three Countries. We will strengthen the communication and survey in prophase, timely start to study and define the logistics information sharing standards of in land transport. In the long term, the three countries will start to conduct study on measures to expand the nodes covering of logistics information sharing from maritime and in-land to road, railway and air transport modes, from basic transport modes to sea-land combined transport and drop and pull transport modes.

5. Accelerate the improvement of NEAL-NET operation mechanism.

- We will continue to consolidate and deepen the NEAL-NET coordination and negotiation mechanism, smooth the communication, as well as enhance the cooperation. We will improve the rules of procedure of NEAL-NET Council and the workflow of Secretariat.



Action Plan 4

Exchange of information on maritime transport and logistics in Northeast Asia

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

Progress/ Future Plan

<Progress>

- By the end of July, 2012, AP4 has finished the first stage work and new project was proposed after 2013.
- It was planned to hold a workshop on maritime single window system and intelligent port gate system on May, 14th 2014 in China but was cancelled upon consultation among the three countries.

<Future Plan>

- The three counties recognize the importance of smoothing the supply chain in and between CJK. In order to provide concrete and workable proposals in building sustainable, safe, secure and environmentally-friendly logistics service between CJK, the three counties will attempt to explore the possibility of cooperation on the information sharing of demand for sea-rail intermodal logistics among CJK.



Action Plan 5

Standardization of logistics equipment

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

Progress/ Future Plan

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

<Progress>

- The three countries have respectively promoted the utilization of standardized-sized pallets (herein after referred to as “the Pallets”). According to survey by 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), diffusion rate of the Pallets have gradually increased.
- The Asia Pallet System Federation has formulated private standards for the Pallets concerning quality (i.e. material and strength) and general rule of unit load. The three countries have respectively conducted study on the above mentioned private standards.

<Future Plan>

- The three countries will make efforts to set national standards on quality (i.e. material and strength) and general rule of unit load compatible with the private standards.
- The three countries will continually cooperate to promote further usage of the Pallets with related parties including government agencies, research institutions and/or APSF. In addition, the three countries will conduct monitor survey on diffusion of the Pallets to discuss efficient measures to promote the Pallets.
- The three countries will accelerate discussing and exploring the possibility of standardization of other logistic equipments, such as box pallets, roll box pallets and plastic containers, and take relevant follow-up actions.



Action Plan 6

Promoting close cooperative relations for ports sector

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

Progress/ Future Plan

<progress>

1. The 13th Northeast Asia Port Director General Meeting

The 13th Northeast Asia Port Director General Meeting was held in Hokkaido, Japan, on October 2012.

(1) Information Exchange

The three countries made presentation on the current issues of each country related to port administration. Korea has made presentation on Harmonious Development of Port and City, China has made presentation on Port Management and Japan has made presentation on Countermeasures against Future Earthquake and Tsunami.

(2) Report of the Joint Research Outcomes

The three countries shared the draft final reports of the joint studies accomplished during the past three years.

WG1: Green Port Strategy for Sustainable Development

The report of the WG1 had suggested to promote following;

- Electric-powering of cargo handling equipment
- “Onshore Power Supply” system for ships in the Northeast Asian region
- Smart Grid system to port area

WG2: Measures to prevent Coastal Disasters Considering the Global Warming in the Northeast Asia Region

The report of the WG2 had much useful information that can be shared and applied among three countries as the following:

- Review of current research on climate change impact on coastal areas
- Analysis on long-term variation in marine conditions in the Northeast Asia
- Evaluation of the safety degree in port facilities in the region

2. The 14th Northeast Asia Port Director General Meeting

The 14th meeting was held in Ulsan, Korea, on November 2013.

(1) Information Exchange:

The three countries shared and exchanged the recent policies in port related issues in their respective country.

China has made a presentation on the latest development of Chinese ports and the policies of encouraging efficiencies of port logistics through development of inter-modal transport, initiating guidance of promoting modern logistics, developing E-Port, etc.

Japan has made a presentation on the measures against Earthquake and Tsunami, promotion of cruise, etc.

Korea has made a presentation on the port development policy on main ports with a special focus on logistics, safety and environment, etc.

(2) Report of the Joint Research Outcomes

Topic 1: Promotion of RFID in the Northeast Asian Maritime Container Transport (led by China)

China has made a presentation on the importance of applying RFID on the shipment of containers in the Northeast Asia and the research achievement of the first year. The presentation had results of researches of the first year: Current status of the application of RFID, Successful cases, Related policies of the three countries, etc.

Topic 2: Promotion of Sea-Land Combined Transport in Northeast Asia (led by Japan)

Japan has made a presentation on the final report with the importance of a combined transport of land and ocean shipping among ports of the three countries and the researches of the last three years. The presentation had results of researches: Implementation status of the sea-land combined transport, the requirement of cooperation among Port Authorities of the three countries, etc.

Topics 3: Promotion of Marina network among Northeast Asia (led by Korea)

Korea has made a presentation on the current status and policies on marinas in the three countries, including: Marina Development Policy and Plans, Laws and Regulations related with Marina, etc.

<Future Plan>

1. Preparation of 15th Northeast Asia Port Director General Meeting

The three countries have agreed to hold the next Director General Meeting in Nanjing, China in 2014 during the 14th Director General Meeting. The schedule and venue of the next meeting will be discussed and arranged in near future.



Action Plan 7

Measures to balance between logistics security and efficiency

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

Progress/ Future Plan

<Progress>

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

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

In this context, in order to examine the common features and differences of the professional personnel training system of logistics security which are developed and implemented within CJK, each of the three countries shared information on how the programs were organized, as well as on the major programs and on the systems.

These efforts on information sharing will serve as solid basis toward stronger mutual joint response against the global transition of logistics security and toward further cooperation in other areas of logistics security including port security in the future.

<Future Plan>

Regarding logistics security, in order to jointly counter-respond against the international condition which is continuously changing, CJK recognize the importance of joint research with regards to logistics security and will discuss the details on joint research process.



Action Plan 8

Promoting mutual exchanges, cooperation and joint researches

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

Progress/ Future Plan

<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.

For logistics cooperation in Northeast Asia, CJK is reviewing various research proposals and promoting joint research, i.e., 'Consolidation plan Northeast Asia Shipping and Logistics market', 'Research on promotion of CJK cruise industry', etc., and the three countries agreed to complete the 'Joint research on promotion of CJK cruise industry'.

(AP1) CJK are discussing 'Measures to improve CJK joint utilization of returnable pallet' and 'Plans to strengthen cooperation on commercial use of the Northern Sea Route'

(AP2) After the realization of the seamless logistics system in Northeast Asia from the ROK and China, both countries have agreed to pursue the 'Joint research for active intermodal transportation, PRs and institutional improvement'.

(AP3&4) By holding CJK NEAL-Net meetings in a regular manner, the three countries are expanding the infrastructure of information sharing through the establishment of logistics information network.

(AP 7) CJK are discussing the 'Development of joint educational program for nurturing professional personnel in the field of logistics security'

(AP 8) The three countries agreed to carry out the 'Joint research on promotion of CJK cruise industry' and plan to accomplish joint research projects through the Port Director-General Meeting. In addition, the ROK, China and Japan have also agreed to continue their joint research progress in the Transport and Logistics General Meeting. And as part of the 'Instructions on the conduction of joint logistics research among CJK', the three countries are



discussing new research subjects and cooperation plans.

(AP 9) The joint study on the 'Plan on establishing Northeast Asia Marina Networking', 'How to apply RFID to container transport in Northeast Asia', 'Facilitation of Multi-modal transport in Northeast Asia' is underway, and CJK are working on reaching a consensus on carrying out the joint study on 'Recent changes in coastal environment and Counter-measures against its impact' and 'Promoting Cruise Industry'.

(AP 10) CJK are jointly carrying out a study on 'The Effect of Eco-Shipping System', and are also discussing joint counter-measures against the BC regulation of IMO.

<Future Plan>

The ROK, China, and Japan plan to proceed with new research proposals such as conducting surveys on logistics companies, research institutes, affiliated organizations, and experts and utilizing interviews due to the demand to conducting joint researches.

In addition, if the three countries would share the results from new joint research projects, then CJK will discuss and proceed to new research projects.

Furthermore, CJK will encourage active participation of related research institutes and organizations in order for a smooth procedure of the joint study of exchange cooperation and research which is still under way. And, due to the close cooperation between the three countries, CJK will pursue various efforts to strengthen the logistics cooperation.



Action Plan 9

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

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

Progress/ Future Plan

In accordance with the agreement reached by China, Japan and Korea in the 14th Northeast Asia Port Director-General Meeting, three countries have selected port related subjects for joint research. The development and work plans are as the following:

Project 1: Recent change of coastal environment and countermeasures to its impact

Korea has made a proposal on the joint research project for the next three years (2014-2016) between the research institutes of Korea and Japan. Korea has suggested that the project would be designated as "Recent change of coastal environmental and countermeasures to its impact". Three countries have agreed on selecting the topics as a new joint research project, decided to discuss about the details in near future.

Project 2: Cruise Promotion

Japan suggested the topic of "Cruise Promotion" as a new project.

The three countries have agreed, in principle, to jointly start the topics of "Cruise Promotion", confirming the details of the research in near future.

The three countries will continue to exchange on the detail, and further refine researches related to these topics.



Action Plan 10

Establishing environmentally friendly logistics policies

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

Progress/ Future Plan

For the purpose of establishing an environmentally friendly logistics (Green Logistics) system, the three countries strengthened cooperation as well as made individual efforts after the Fourth Ministerial Conference on Transport and Logistics.

Progress and future works are as the following.

1. Strengthened cooperation among the three countries

<Progress>

- To realize low carbon logistics among the three countries, the three countries conducted researches on the feasibility of supporting ship operation to optimize fuel consumption and carried out a pilot project of efficient ship operation.
- For the pilot project, Japan provided on-board display device and “Eco-friendly Navigation Support Systems” which analyzes the most energy-saved plan on ship’s routes and speed with utilizing information gathered through state-of-the-art wind and wave prediction information. The pilot project was conducted using the ships that operate operating between Shanghai - Hakata, and between Busan – Nagoya - Tokyo.
- The three countries conducted and evaluated the pilot project as described above, and discussed the effectiveness and the issues of the navigation support system for general use.
- In addition, the three countries held International Green Logistics Seminar in Seoul, Korea on 15th November 2012 to exchange information on each green logistics policies and discuss the way to strengthen cooperation among the three countries. The three countries will continually make efforts to share information on green logistics policies, and development of eco-friendly logistics systems.

<Future Plan>

- The three countries will facilitate and enhance eco-friendly ship operation based on achievement of the pilot project.
- The three countries will cooperate, as appropriate, for the discussion on emission of black carbon from ships at the International Maritime Organization (IMO).
- The three countries will cooperate for measures on reduction of toxic substance emitted from vehicles through sharing information.



2. Green logistics policy of each country

After the Fourth 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:

- 1) 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 12th five-year development plan, which was formulated by MOT of China.
- 2) Strengthen and improve the green logistics evaluation system by establishing a set of statistical monitoring index of energy-saving and emission reduction.
- 3) Encouraging private enterprises to invest in the construction of station of drop and pull transport to increase transport efficiency.
- 4) Promotion of application of new energy transport devices, such as LNG vessel, hybrid vehicle.
- 5) Developing green logistics technology in the field of highway and port.

(2) Japan

Released “Comprehensive Logistics Policy” in June 2013 - a five-year logistics policies of the Government which includes policies described below in reducing environmental burden.

- 1) 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.
- 2) Developing road network which contribute to smoothing traffic stream, and discussing management on freight car transport by utilizing ITS (ETC, VICS and ITS Spot).
- 3) Promotion of modal shift toward trunk line transport by supplemental subsidies on modal shift projects jointly conducted by stakeholders such as cargo owners and logistics service provider, and on introduction of maritime transport equipments such as trailer chassis for coastal shipping and large-size containers (31 ft.) for railway transport.
- 4) Promotion of joint distributes/delivery systems by collaboration with cargo owners and logistics service provider and by support from local governments and so on.



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

(3) Korea

Korea, in an aim to restructure to low-carbon logistics industry, is making multiple efforts as follows;

- 1) Encouraging more companies to take part in the Logistics Energy Target Management System, a voluntary agreement between the government and companies, through which the companies set their own goals of emission reduction and take individual action (2011-2013. 110companies)
- 2) Create legal foundation for the system to designate those companies with excellent record of eco-friendly logistics activities as Best Practice Green Logistics Company (Feb, 2014)
- 3) In order to establish green logistics system, voluntarily led by the private sector, Green Logistics Consultative Committee, which is a public-private joint cooperation organization, is established through enactment (Aug. 2013)
- 4) Coastal shipping companies conduct Logistics Energy Target Management System in order to accomplish the national goal of energy and greenhouse gas emission reduction (shipping companies, providing coastal liner services and emitting more than 50,000 tons of greenhouse gas annually)
- 5) Push ahead with development of eco-friendly technology in order for vessel energy saving and greenhouse gas emission reduction, and build Green-ship TCC (Test Certification Center) in end of June 2014.
- 6) We are pursuing facilitation of three-party logistics and joint logistics, encourage modal shift and eco-driving. We are also work towards enhancing awareness of green logistics through Best Fuel-efficiency Contest and sharing best practice cases. Etc.



Action Plan 11

Creation of conditions to facilitate the 3PL Business

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

Progress/ Future Plan

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

<Progress>

(1) China

At the policy level, 3PL industry is being promoted in China according to "Logistics Industry Restructuring and Revitalization Plan" issued by the State Council. 3PL business involves several departments under the "Scheme of deepening circulation system reform and accelerating circulation industry", China is building a national network of information sharing platform. When it is completed, once 3PL business will be greatly facilitated with higher efficiency.

(2) Japan

The government released "Comprehensive Logistics Policy" in June 2013 - a five-year logistics policies of the Government. This Policy calls for furthering human resource development and promotion of 3PL providers, promoting active proposition by 3PL businesses for efficient logistics and advancing cargo owners' logistic efficiency. In addition, based on the "Act of Logistics Integration and Efficiency," the government has promoted comprehensive and efficient logistics through certification system for comprehensive and efficient logistic plan. Approximately 180 companies' plan have been certified as of March 2013. 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.

(3) Korea

The Korean government, in order to facilitate three-party logistics system, is introducing and implementing various policies as follows;



- We include the three-party logistics expenditure ratio into the Comprehensive Logistics Company Certification System which is implemented in an aim to foster logistics companies.
- To activate three-party logistics, we directly match shipper companies and logistics companies, and then, provide consulting.
- We find good practice cases and promote those cases to private companies.

<Future Plan>

As indicated above, the three countries have steadily created conditions to facilitate 3PL business. The three countries will deepen their efforts under cooperation between the government and private sectors to ensure the further development of 3PL business such as further promotion of 3PL business and expansion of high-value added services in according with consignors' needs. In addition, the three countries will continue to exchange information on efforts to promote 3PL business in each country.

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



Action Plan 12

Strengthening cooperation with the ASEAN in the future

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

Progress/ Future Plan

<Progress>

To enhance the efficiency of logistics between the 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.

To this end, CJK confirmed their commitment to strive on finding new fields of cooperation. In particular, the three countries should come up with multiple measures towards the ASEAN member states, such as holding seminars and meetings, conducting surveys and interviews and so forth, in order to find out the business projects that the ASEAN member states need.

<Future Plan>

In order to share experiences and knowledge of CJK in the field of logistics including container and pallet, educational program on ASEAN Unit Load System should be carried out. CJK should actively study the demand of ASEAN so that the basis of logistics integration can be built between the Northeast Asia and ASEAN. By carefully examining the current status of the existing educational program of the ASEAN Unit Load System, Three countries will make efforts to expand the program.

Moreover, CJK will share exemplary cases of cooperation between ASEAN and CJK on logistics, and by doing so, maintain our cooperation jointly. Furthermore, Three countries will examine the possibility of holding ASEAN + CJK Ministerial Conference (10+3) in a regular manner.