



GTI

**GREATER
TUMEN
INITIATIVE**



About GTI

Our vision is to build a great partnership for common prosperity between neighbours.

The Greater Tumen Initiative (GTI) is an intergovernmental cooperation mechanism in Northeast Asia, supported by the United Nations Development Programme (UNDP), with the membership of four countries: People's Republic of China, Mongolia, Republic of Korea and Russian Federation. Incepted in 1991, the GTI has been transformed into a regional collaborative platform driven by the member countries to promote economic cooperation in the Greater Tumen Region and Northeast Asia as a whole.

In 1995, GTI member governments signed agreements to establish this mechanism, aimed at strengthening economic and technical cooperation, and attaining greater growth and sustainable development in NEA and specially the Greater Tumen Region. In particular, the GTI focuses on the priority areas of transport, trade and investment, tourism, agriculture, energy, with environment as a cross-cutting sector.

Committing to the vision of building a great partnership for common prosperity between neighbours, the GTI has become an effective platform for regional economic cooperation, expanding policy dialogue, improving business environments and contributing to peace and stability in NEA. In addition, the GTI works closely with important international partners to jointly promote the region, and hosts the NEA EXIM Banks Association as a regional development financing mechanism, Research Institutions Network which serves as the GTI's brain trust, and the Local Cooperation Committee in support of cooperation initiatives among local governments in NEA.



Milestones

1991 - 2005 TRADP

- 1991** Tumen River Area Development Programme (TRADP), the predecessor of GT launched by UNDP as a regional cooperation programme
- 1995** Member countries signed agreements on the establishment of the TRADP Consultative Commission at Vice-Minister level to officially launch the intergovernmental mechanism
- 2005** Member countries agreed to extend the initial cooperation agreements for another ten years, and committed to demonstrate national ownership; TRADP was renamed as the GTI with an expanded geographic coverage to the Greater Tumen Region, and the five priority sectors (Transport, Tourism, Energy, Investment and Environment) were identified for future cooperation

2006 - Present GTI

- 2007 - 2010** Intergovernmental structures in the five sectors (Transport Board, Tourism Board, Trade Facilitation Committee, Energy Board and Environmental Board) were created to coordinate sector-specific cooperation activities and projects
- 2010** The process of transforming the GTI towards becoming an independent organisation started
- 2011** NEA Local Cooperation Committee (LCC) was established among NEA local governments to strengthen local economic cooperation and central - local coordination and dialogue.
- 2012** The Association of GTI EXIM Banks was created as a development financing mechanism to support the implementation of regional project
- 2013** The Inaugural meeting of the GTI NEA Local Cooperation Committee was held.
- 2014** The Inaugural meeting of the NEA EXIM Banks Association was held.
- 2016** Another expansion of GTI's institutional structure took place: creation and inauguration of new sectoral committee and affiliated body under GTI - GTI Agriculture Committee and GTI Research Institutions Network.

Greater Tumen Region

GTI focuses on the promotion and development of the Greater Tumen Region, which covers the four Northeast provinces (Jilin, Heilongjiang, Liaoning and Inner-Mongolia) of China; the three Eastern provinces (Hentii, Dornod and Sukhbaatar) of Mongolia; the Eastern regions (Gangwon, Gyeongsangbuk, Busan and Ulsan) of the Republic of Korea; and the Primorsky Territory of the Russian Federation.

With a skilled and low-cost labour pool, this region possesses enormous potential for investment and job opportunities. The Tumen River ties this region together, situated at the crossroads of vital trade, transport and energy routes. Rich in gas, oil and minerals, the region provides easy access to affluent markets in the Northeast Asian countries, representing millions of consumers.





China

Home to over 135 million people, the four Northeast provinces (Jilin, Heilongjiang, Liaoning and Inner Mongolia) of China make up an area of nearly 2 million km². These provinces are rich in natural resources – Inner Mongolia alone boasts 90% of China's rare earth oxides and five major coalfields with reserves of over 10 million tons each, while Heilongjiang produces almost half of the country's oil and is a prime candidate for wind power development. Other resources like timber in Jilin and iron in Liaoning also play a large role in regional economy. Changchun in Jilin Province is home to one of the country's major manufacturers, First Automobile Works, as well as automobile steel manufacturing centre. Dalian in Liaoning Province is not only one of China's five largest ports but also to rise as a global leader in software and service outsourcing.



Mongolia

The three aimags (provinces) of Hentii, Dornod and Sukhbaatar form the Eastern Mongolia are involved in GTI. This large (287,000 km²) but sparsely populated area is relatively less developed. This is one of the largest, yet undisturbed steppe ecosystems in the world and is the core habitat of the Mongolian gazelle. As such, tourism is promising, thanks to the area's pure natural beauty, cultural traditions and festivals. Currently, agriculture and forestry account for 33% of the country's GDP, while transport and communications account for 10%, mining and quarrying (especially of copper, fluorspar, and molybdenum) for 9%, and manufacturing for 6%. Mongolia's radically changing and privatising economy means that the government is placing high priority on developing the country's natural resources processing sector and also on accessing regional transportation corridors.



Republic of Korea

The Eastern port cities of ROK offer some of Northeast Asia's most dynamic transportation and shipping connections, as well as accounting for significant tourist attractions. Busan, a city of around 4 million people, is a growing regional financial centre and one of the largest container handling ports in the world with a capacity of around 19.5 million TEU of cargo per year. Sokcho is an eastern coast port city in Gangwon Province and a major tourist gateway to Northeast ROK, offering ferry and container transportation services to China, Russia and Japan. Ulsan is the industrial powerhouse of ROK, which is home to the world's largest automobile assembly plant, the world's largest shipyard, and the world's second largest oil refinery. Pohang is a major port city in North Gyeongsang Province and the home of the Pohang Steel Company, one of the largest steel producers in the world, and a host of related industries.



Russian Federation

Primorsky Territory, rich in natural resources and with a strong industrial and transportation base, is the largest economy in the Russian Far East. Formerly dominated by state-run enterprises, about 90% of the enterprises in Primorsky are now privately owned. Coal and non-ferrous metal mining, ship repair, ship building, and food processing are the largest industrial employers. The overwhelmingly export-based transport industry is also well developed. Five of the ten major Russian shipping companies are based in this area, and strong regional growth in recent years has resulted in greater export volumes, especially of metals and other resources. In addition to the port in Vladivostok, the end of the lines of the Trans-Siberian Railway (TSR) in Nakhodka and Vostochny are also located in Primorsky. The TSR is one of the shortest routes between East Asia and Europe and is a major route for Japanese transit cargo.

Greater Tumen Region at a Glance

AREA	PROVINCES	GDP (MILLION USD)	MAIN INDUSTRIES
Northeast China	Heilongjiang Province, Inner Mongolia Region, Jilin Province, Liaoning Province	1,108,929(2016)	Energy,equipment, petrochemicals, pharmaceuticals, Automobiles, iron and steel, textiles
Eastern Mongolia	Dornod Province, Khentii Province, Sukhbaatar Province	763.5(2016)	Agriculture and agri-processing, mining, tourism
Eastern ROK	Gangwon Province, Gyeongsangbuk Province , Busan city, Ulsan city	252,550(2016)	Service industry, Automobiles, ship-building, steel production,
Russian Far East	Primorsky Territory	12,149(2016)	Energy, light and heavy industry, forestry and timber, tourism, lumbering, mining

Priority Sectors

We focus on six priority sectors for cooperation: Transport, Trade & Investment, Tourism, Energy, Environment and Agriculture. Successful growth of these sectors and implementation of concrete projects will create an enabling environment for enhanced sustainable development of the region.

Improving Transport Infrastructure and Connectivity

The Greater Tumen Region has enormous untapped potential as a regional transport hub. Sitting at the crossroads of trade and transport routes between Europe and the Asia Pacific Region, the roads, railways and ports in the Greater Tumen Region offers companies and countries unparalleled access to both new and existing markets. GTI member countries aside, other Northeast Asian countries also have strong interests in the regional transport corridors raised to international standards as this will bring benefits from the considerable time and cost savings for transit trade for the whole region. The private sector plays an increasingly important role in transport development initiatives, and can help shape key existing and potential routes into world-class transport corridors. The GTI Transport Board was created to support economic cooperation in NEA through the development of adequate transport infrastructure and logistical networks.

What we do

- Promoting the rehabilitation and construction of transport infrastructure and the development of regional transport corridors
- Developing efficient, safe and sustainable transport and logistics services
- Simplifying border-crossing procedures and enhancing seamless and efficient transit movement

Promoting Regional Trade and Investment

The Greater Tumen Region has exciting potential to expand its industrial capacity. Regional trade and investment are vital engines for sustainable development, and have always been a key priority since the beginning of GTI. The member countries seek to create a more investment-friendly environment in order to make the region more competitive and attractive in the global business sphere. GTI works towards these aims through a variety of initiatives such as strengthening private-public dialogue and partnerships, identifying and promoting investment opportunities, and facilitating the policy environment for regional trade and investment. Furthermore, to enhance regional cooperation on trade and investment, the former Trade Facilitation Committee was restructured into the Trade and Investment Committee (TIC) and the Customs Sub-Committee (CSC) in 2016. TIC and CSC provide platforms for the facilitation of trade and the promotion of investment in the region.

What we do

- Promoting the harmonisation and simplification of technical procedures to reduce trade costs
- Removing major policy bottlenecks to increase intra-regional trade
- Strengthening partnerships between the governments and the private sector to facilitate investment and business activities

Building an Attractive Tourism Destination

From the steppes of Mongolia to the historical cities of Northeast China, through to the spiritual mountains of China and Korea and to the frontiers of the Russian Far East, the Greater Tumen Region holds the potential to develop a thriving tourism industry that can enhance regional cooperation and reduce poverty. Under the GTI, the member countries are seeking to harmonise tourism policies, simplify frontier formalities, and introduce multi-destination tourism products. The GTI Tourism Board was created to bring together public and private stakeholders as well as experts to help define and prioritise the initiatives for regional tourism development.

What we do

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- Developing efficient, safe and sustainable transport and logistics services
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Enhancing Energy Policy Coordination

The availability and security of energy sources plays a major role in the development and politics of Northeast Asia, where some countries are major energy producers and others are consumers. Oil, coal, natural gas, and wind power are all significant sources of energy in the region. Close cooperation and policy integration in the energy sector will generate benefits for all parties in the region. In this regard, the GTI Energy Board was established to address regional energy issues on a policy and strategy basis while also including private sector expertise and resources.

What we do

- Promoting the rehabilitation and construction of transport infrastructure and the development of regional transport corridors
- Developing efficient, safe and sustainable transport and logistics services
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Strengthening Environmental Sustainability

The Greater Tumen Region, like other parts of Asia, has experienced economic development at the expense of the environment. Regional initiatives and local support are imperative to restoring the environment and preventing further damage. GTI aims to ensure that environmental concerns are addressed in the priority sectors, and issues such as climate change, eco-tourism, clean energy and industrial technologies are integrated into development projects. The GTI Environmental Board was established to promote better development practices in order to ensure both environmental and economic viability.

What we do

- Addressing environmental concerns and impacts in all priority sectors for GTI cooperation
- Strengthening the capacity of the member governments on sustainable development and prioritising environmental protection in national and local development plans
- Building partnerships among regional stakeholders and enhancing public awareness on environmental sustainability

Facilitating Agriculture Cooperation

In line with the common understanding shared by GTI member countries and recommendations from the study report, the Greater Tumen Initiative Agriculture Committee is established under the GTI framework to support bilateral and multilateral agricultural cooperation, rural development and food security in NEA in order to fully realize the diverse natural resources and agricultural potential in the region.

The well coordinated sustainable agriculture sector development that links up the abundant natural resources, labor force and advanced technologies available in the GTI is considered as a vital of importance for regional and rural economic development, trade facilitation, food safety and security in the region. To promote agriculture cooperation in GTR, the Committee focuses on the following three major objectives:

What we do

- Support regional economic prosperity through policy coordination, joint investments and financing in the agricultural sector and trade facilitation of agricultural products;
- Promote sustainable management practices in farming and food production through exchange of information, technology transfer and supporting innovations;
- Contribute to food security in the region, especially through sustainable production of staple crops.

Partnerships

We believe that partnership development is critical to the success of GTI cooperation. GTI seeks to build collaborative agreements in which parties constructively work together to achieve our vision. GTI actively collaborates with development agencies, financing institutions and regional local authorities. In addition, we also work extensively with a number of NGOs, research institutes and the private sector to jointly promote the development of this region.

Northeast Asia Local Cooperation Committee and LCC Logistics Sub-Committee

The Northeast Asia (NEA) Local Cooperation Committee (LCC) acts as a Governor level platform to ease economic cooperation among the regional local governments from NEA countries to achieving mutual prosperity and lay a foundation at the local level for NEA economic integration. The LCC has 12 members: Heilongjiang Province, Inner Mongolia Autonomous Region, Jilin Province and Liaoning Province of PRC, Tottori Prefecture of Japan, Dornod Province, Khentii Province, Sukhbaatar Province and Selenge Province of Mongolia, Gangwon Province, Busan Metropolitan City and Jeju Special Self-Governing Province of Korea. It is designated to promote dialogue, communication, mutual understanding and knowledge-sharing on regional development among NEA neighbours, strengthen the capacities of NEA local governments participating in regional economic cooperation, enhance policy coordination between local and central authorities to synergize development strategies, mobilise resources and international support for local cooperation initiatives, identify and implement joint cooperative programs and projects for mutual benefit, and encourage favorable regional business environment to attract investment; The "Logistics Sub-Committee" (LSC) was also established in 2014 under the framework of LCC to serve as a platform of local cooperation to promote facilitation, efficiency, enhancement of transport and trade logistics in GTR. Under this objective, the LSC was designed to enhance policy coordination between local & central authorities to address logistics bottleneck, improve logistics development by testing sea-land intermodal pilot transportation routes, promote Public Private Partnership (PPP) to mobilize resources and international support for piloting new

transport routes and improving the existing routes, exchange information on shippers, international logistics service providers (forwarders), export and import freight and trade size and routes etc. in the region. The members of LSC are Heilongjiang Province, Inner Mongolia Autonomous Region (Manzhouli City), Jilin Province and Liaoning Province of PRC (Yingkou City), Tottori Prefecture of Japan, Dornod Province of Mongolia, Gangwon Province and Busan Metropolitan City of ROK.

Northeast Asia EXIM Banks Association

As a regional development financing mechanism, the NEA EXIM Banks Association was initiated by the GTI to improve the access to public and private finance for regional development projects and promote intra-regional trade in Northeast Asia. Consequently, it may strengthen regional integration and enhance the prospects for sustainable development in the region. The Association is founded among the EXIM Bank of China, EXIM Bank of ROK, Development Bank of Mongolia and the Bank for Development and Foreign Economic Affairs of Russia.

Research Institutions Network

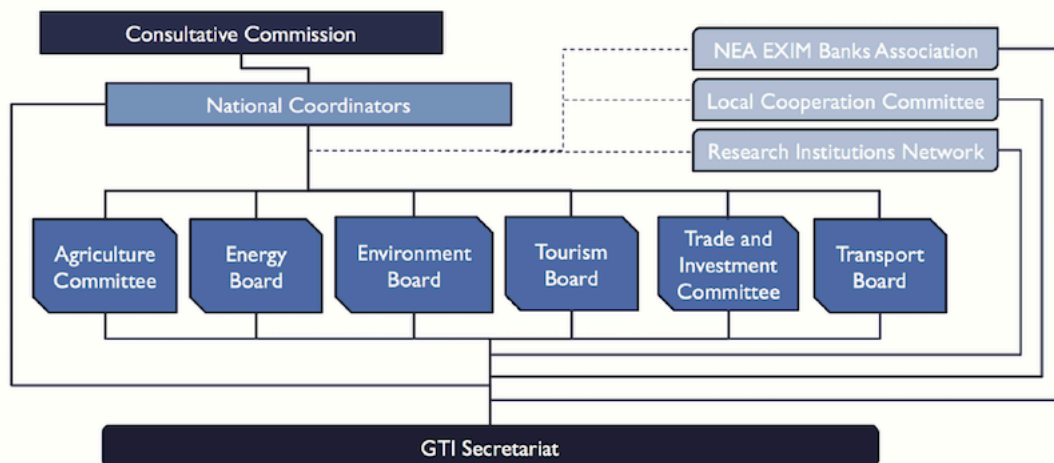
The GTI Research Institutions Network is a long-term effective academic cooperation mechanism to prioritize development projects and research activities and thus to facilitate economic cooperation with a view to bringing common prosperity and development opportunities in the region. This will serve as GTI's brain trust which is composed of four leading National Research Institutions of GTI member countries, namely, China Association of International Trade (CAIT); Russian Foreign Trade Academy (RFTA); Institute for Strategic Studies, National Security Council of Mongolia (ISS); and Korea Institute for International Economic Policy (KIEP).

Institutional Structure

The decision-making institution of GTI is the Consultative Commission composed of Vice Ministerial-level officials representing each member country. The National Coordinators are responsible for the coordination between the Consultative Commission with line ministries and the Secretariat. The Secretariat is to provide support and execute the decisions of the Consultative Commission.

The Transport Board, Trade and Investment Committee, Tourism Board, Energy Board Environmental Board and Agriculture Committee have been created to strengthen cooperation and coordination on policies and project implementation in the six priority sectors.

In addition, the NEA Local Cooperation Committee & Logistics Sub-Committee, NEA EXIM Banks Association, and GTI Research Institutions Network are affiliated platforms to facilitate the GTI in promoting local government cooperation, development financing and improving academic cooperation respectively.





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