



Greater Tumen Initiative



*Supported by United Nations Development Programme*



# Local Cooperation Committee (LCC) Technical Guide

19 July 2019

# Forward

During the 6<sup>th</sup> LCC Meeting held on 13 July 2018 in Tottori Prefecture, Japan, the LCC Members reviewed the report on the exercise, "Go back to 2011", of the Preparatory Meeting for the 6<sup>th</sup> LCC Meeting. The report was designed to evaluate the needs of LCC members and the operation mode of LCC framework for the future by reflecting on LCC's work since its establishment in 2011. The LCC members provided insightful perspectives to reaffirm the achievements so far and to better lay out directions for practical work of LCC for the period ahead.

Reflecting on the report on the exercise, "Go back to 2011", LCC members reached consensus on and reemphasized the necessity of continuous effort being made to invite new members and broaden the involvement of the private sector. According to the Tottori Declaration and LCC Work Plan for 2018-2019, it was agreed on the 6<sup>th</sup> LCC Meeting that a technical guide on the LCC Mechanism and the working procedures should be drafted and distributed to LCC members to help new members and partners understand the framework.

Therefore, building on the information provided by LCC members in "GTI LCC Technical Guide Questionnaire", the GTI Secretariat has compiled this detailed *LCC Technical Guide* on the LCC/LSC Mechanism and the working procedures to help both our current and prospective members as well as partners to understand the framework of LCC and navigate their activities and involvement within LCC.

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## Local Cooperation

# 1 Local Cooperation Committee

## 1.1 Background

During the 10th Consultative Commission (CC) Meeting in 2009 in Ulaanbaatar, Mongolia, the participant governments and the UNDP acknowledged that the GTI is acting as an important platform for economic cooperation and exchanges in Northeast Asia (NEA) and promoting the sustainable development and stability in the region. It was agreed that the GTI member countries will make pragmatic efforts to advance regional cooperation and to strengthen the GTI mechanism to achieve broader practical results at the critical stage of obtaining the full ownership of the GTI program. In this regard, the participant governments and the UNDP agreed to hold Local Development Forums (LDF) in conjunction with Consultative Commission meetings.

At the 11<sup>th</sup> GTI CC Meeting held on 1 September 2010 in Changchun, the GTI member governments welcomed the launch of the GTI Local Development Forum and agreed to strengthen the cooperation among the local governments in Northeast Asia by “creating an additional mechanism for local government cooperation”, its status and mandate started to be explored by the GTI Secretariat. China expressed their wish to host a workshop on this issue.

As the significant role of the local governments in regional economic cooperation was widely recognized, a Workshop on GTI NEA Local Cooperative Mechanism was held on 11 May 2011 in Hunchun, Jinlin Province, China. Participants highlighted the need to identify as soon as possible the willingness of relevant NEA local governments to join this mechanism, and then to establish the Local Cooperation Committee (LCC) for cooperation with the attention to the coordination with the central governments. Participants discussed LCC principles and scope, institutional arrangement, involvement of the private sector, funding and budget management, partnership, priority sectors for cooperation, timeframe, and establishment plan of LCC. Participants in general reached a consensus that the LCC should be created as the decision-making organ of the mechanism, and the representation to LCC should be at the governor level at the highest for the effectiveness of this local mechanism. Involvement of other levels could be further discussed under the provincial level umbrella. It was also proposed that the GTI should act as a coordination channel to bring together regional and central governments. It was stressed that the central government’s involvement is crucial in order to deal with issues such as the removal of cross-border barriers and coordination of inconsistent regulations, etc. Participants suggested that the arrangement of institutional structure should be formulated based on and to reflect the cooperation areas and issues. In addition, this mechanism should differentiate itself from other regional cooperation mechanisms with its unique value and niche.

During the 12<sup>th</sup> GTI CC Meeting held on September 27<sup>th</sup> 2011 in Pyongchang, Gangwon, ROK, the member governments announced the establishment of the LCC to further promote the local government engagement and build synergy among the local and central governments for the NEA regional economic cooperation. The LCC will encourage the participation of local governments of DPRK and Japan as well. In this context, the member governments approved the Capacity Building Project for NEA Local Governments, which is to be co-financed by the Government of China and Asian Development Bank, and implemented at the end of 2011 and 2012.

During 13th Meeting of the GTI CC held on October 10 2012 in Vladivostok, Russian Federation, participants again recognized the essential role of NEA local governments in regional cooperation, and welcomed the progress on the LCC and the active participation of NEA local governments in LCC project activities, such as the *Capacity Building Program for NEA Local Governments on Regional Economic Cooperation* held in December 2011 in Arxan city, China. Participants envisioned the further enhancement of coordination and exchanges with NEA local governments in order to build synergy for regional prosperity.

On August 30 2013, the Inaugural Meeting of the LCC was successfully held in Changchun, Jilin Province, China. Governor or Vice Governor level local leaders from Jilin, Tottori, Dornod, Khentii, Sukhbaatar, Gangwon, Busan, Primorsky Territory and senior officers from Inner-Mongolia, Liaoning, Heilongjiang, Niigata, Khabarovsk Territory, Vice Ministers from GTI central governments, representatives of GTI partners as well as managers from major shipping and logistics companies participated in the meeting. During this meeting, the Governors from LCC member provinces confirmed their membership and the inauguration of the LCC and adopted Changchun Declaration and the **LCC's Terms of Reference** (Annex 1).

As the member governments recognized the critical role of local governments in the area of transport, investment and cross-border cooperation, the Logistic 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.

The LCC and LSC aim to foster a platform to facilitate economic cooperation among the NEA local governments to achieve sustainable development and mutual prosperity. This platform will also serve to enhance capacity of NEA local authorities on cross-border economic cooperation, facilitate policy coordination between the central and local authorities, mobilize resources and international support for local cooperation activities, and encourage favorable regional business environment to attract investment.

## 1.2 Objectives

As stated in **LCC's Terms of Reference**, the overarching objective of the LCC is to foster a platform to facilitate economic cooperation of the NEA local governments, in hopes of achieving sustainable development and mutual prosperity of the region. Under this objective, the LCC shall have, among others, the following functions:

- ◆ strengthen the capacities of NEA local governments to participate in regional economic cooperation;
- ◆ enhance policy coordination between local & central authorities to synergize development strategies;
- ◆ identify and implement joint cooperative programs and projects for mutual benefits;
- ◆ mobilize resources and international support for local cooperation activities;
- ◆ exchange information on local economies and share knowledge on regional development;
- ◆ encourage to create more favorable regional business environment to attract investment;
- ◆ promote dialogue, communication and mutual understanding among NEA neighbors; and
  
- ◆ lay a foundation at the local level for NEA economic integration.

## 1.3 Principles

The LCC shall be guided by the following principles:

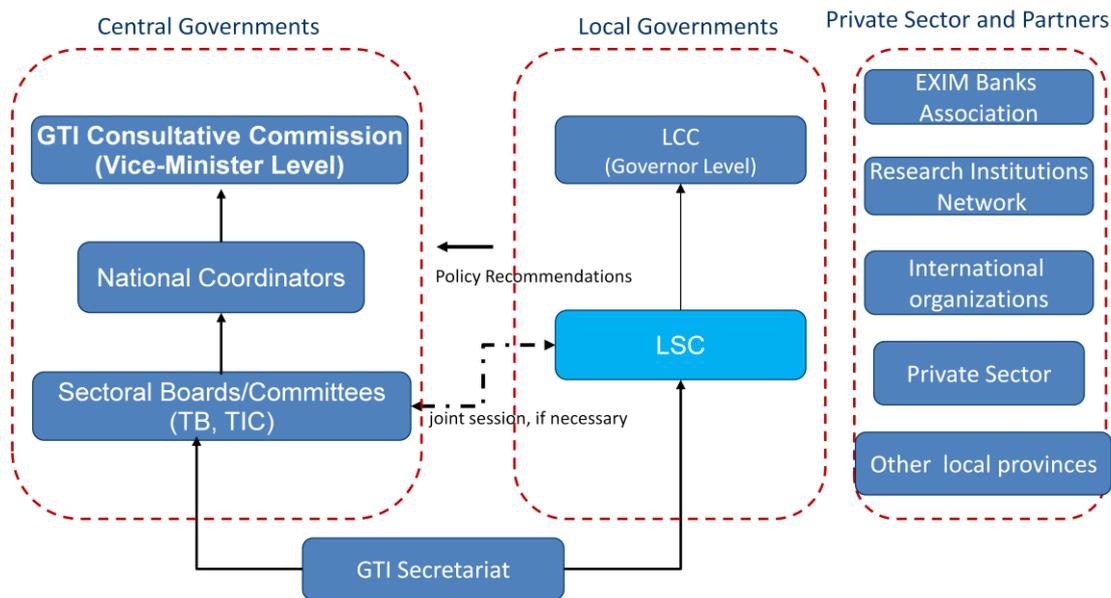
- ◆ it is a non-binding partnership network without legal identity or international agreements required;
- ◆ participation in the LCC is on a volunteer basis by NEA local governments;
- ◆ it will make decisions by consensus through constructive dialogue; and
- ◆ it respects equality, diversity and sovereignty of all members.

## 1.4 Priority Sectors for Cooperation

Priority cooperation sectors shall reflect the common interests of the LCC members and the regional agenda for economic development.

The LCC will focus on regional connectivity and transport corridor development, trade facilitation, investment promotion, environmental protection and tourism cooperation. The LCC could extend its cooperative activities to other areas if necessary.

## 1.5 Operational Structure



## 1.6 Members at a Glance

Currently, LCC has 12 members: Heilongjiang Province, Inner Mongolia Autonomous Region, Jilin Province and Liaoning Province of People’s Republic of China; 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 Republic of Korea.

**Table 1: LCC Members**

Country	Member	Year of Accession	Area (km <sup>2</sup> )	Population	GRDP	Main Industries
<b>China</b>	Inner Mongolia	2012	118,300			Agriculture, Chemicals, Energy, Iron and Steel, Textiles, Pharmaceuticals
	Jilin Province	2012	187,400	27,330,300 (2017)	RMB 1528.9 billion	Automobiles, Energy, Metallurgy, Petrochemicals, Textiles, Tourism
	Heilongjiang	2012	453,000	37,887,000 (2017)		Energy, Equipment, Food Processing, Forestry, Petrochemicals, Pharmaceuticals
	Liaoning	2012	148,000	438,000,000 (2017)	RMB 2.2 trillion	Electronics, Machinery, Metallurgy, Petrochemicals
<b>Japan</b>	Tottori Prefecture	2012	3,507	560,000 (2017)	1.7551 trillion yen	Automotive Component, Electronic Device, Agriculture and Marine products

<b>Mongolia</b>	Dornod	2012	123,597	76,507 (2017)		
	Khentii	2012	80,325	76,019 (2017)		
	Selenge	2017	41,152	108, 768 (2017)	602.2 billion MNT (2017)	Agriculture, Mining, Livestock Husbandry, Tourism
	Sukhbaatar	2012	82,287	61,323 (2017)		
<b>South Korea</b>	Busan Metropolitan City	2015	770	3,534,848 (2017)		Footwear, Textiles, Shipbuilding, Automotive, Marine product processing, Exhibitions, and tourism.
	Gangwon Province	2012	20,569	1,547,387 (2017)	USD 25,220 (2017) per capita	Agriculture Bio-Industry, Medical Electronics , New Materials
	Jeju Special Self-Governing Province	2015	1,848			Agriculture, Fishery, Service, Tourism

## 1.7 Membership Application

The LCC members shall be composed of provincial (prefectural) level governments from China, Mongolia, ROK, Russia, Japan and DPRK, in particular those from and close to the GTR.

Each participating local government should appoint a Governor level official as the Representative of the participating local government to the LCC.

Currently, LCC membership is only open to the provincial (prefectural) level governments; however, major municipal governments under each LCC member should be also involved in LCC activities.

If a local government that meets all the above-mentioned criteria wishes to become an official member of LCC, the local government should first seek permission from the central government.

The GTI Secretariat has constructed the “**LCC Membership Application Form**” (Annex 2) for your conveniences. Local governments should carefully follow the instructions on the “**LCC Membership Application Form**” and properly fill out the form.

Once the local government receives permission from the central government, a signed official application letter along with the filled “**LCC Membership Application Form**” shall be both submitted to the LCC in writing for LCC members' approval on the basis of consensus and in consultation with the GTI Consultative Commission.

Other local governments from GTI member countries or non-member countries could participate in LCC activities as Observers under the unanimous agreement of the LCC members. Observers could make comments or recommendations on LCC activities upon their request.

## 1.8 Rotation

The Chairperson of the LCC shall be the Representative of the member province (prefecture) which hosts the annual LCC meeting on a rotation basis. The rotation shall follow the alphabetical order of the English names of the countries and, within each country, of the English names of LCC members. The sequence shall be *Jilin – Tottori– Dornod – Gangwon – Heilongjiang – Tottori – Khentii – Busan – Inner Mongolia – Tottori – Sukhbaatar – Jeju – Liaoning –Tottori – Selenge*. Cases of exception on the rotation shall be approved by the LCC.

The Chairperson of the LCC shall exercise his or her role in leading the activities of the LCC, including:

- ◆ convene and host the annual LCC meeting and oversee the LCC activities;
- ◆ coordinate with other LCC members between the LCC meetings and with the GTI Consultative Commission;

- ◆ undertake other tasks entrusted by the LCC.

## **1.9 LCC Activities & Meetings**

The LCC plans and convenes its annual meeting hosted by each LCC member on a rotation basis. A preparatory meeting is usually held before the LCC meeting, and other cooperation events have been held within the framework of the LCC meeting in the past few years, such as Information Sharing, Capacity Building Program, Local Development Forum, GTI International Trade & Investment Expo, as well as project implementations.

The working language of the LCC activities and meetings shall be English.

### **1.10 LCC Meetings**

The annual LCC meeting shall be the principal decision-making body of the LCC, and during each meeting, members will:

- ◆ reach agreements on important cooperative activities;
- ◆ review, discuss and plan LCC activities;
- ◆ exchange information and strengthen common understanding;
- ◆ undertake other tasks entrusted by the LCC.

**Table 2: List of past annual LCC meetings**

	Time	Location	Meeting Host	Signed Declaration	Outcomes
<b>1<sup>st</sup> LCC Meeting</b>	Aug.30 2013	Changchun, Jilin,China	Jilin Provincial Government	Changchun Declaration	<ul style="list-style-type: none"> <li>➤ Confirmed memberships and welcomed the inauguration of the LCC.</li> <li>➤ Adopted the LCC's Terms of Reference</li> <li>➤ Identified challenges and gave recommendations in concerned areas for local economic cooperation, such as insufficient transport infrastructure, complex visa policies and border-crossing procedures</li> </ul>
<b>2<sup>nd</sup> LCC Meeting</b>	Aug.6 2014	Yonago, Tottori, Japan	Tottori Prefectural Government	Tottori Declaration	<ul style="list-style-type: none"> <li>➤ Acknowledged the progress on the implementation of the "GTI Transport Corridors Study Project" and the "Evaluation Study of Sea-Land Routes in Northeast Asia"</li> <li>➤ Acknowledged the successful conclusion of the Capacity Building Workshop on Trade and Investment Facilitation in NEA held in March 2014 in Cheonan, ROK</li> <li>➤ Welcomed the outcome of Trans-GTR Transport Corridors: Financing Infrastructure Development</li> <li>➤ Tottori proposed to establish a Logistic Committee focusing on sea-land transportation and routes development under the LCC platform</li> </ul>
<b>3<sup>rd</sup> LCC Meeting</b>	Aug.7 2015	Choibalsan, Dornod, Mongolia	Dornod Provincial Government	Dornod Declaration	<ul style="list-style-type: none"> <li>➤ Adopted the LSC's Terms of Reference.</li> <li>➤ Welcomed Busan Metropolitan City and Jeju Special Self-Governing Province of ROK as new members</li> <li>➤ Pledged full supports to GTI members countries' national development strategies and policies, including "One Belt,</li> </ul>

					<p>One Road” initiative and “Chang-Ji-Tu” strategy by China, “Grassland Road” strategy by Mongolia, “Eurasia Initiative” by the ROK, and “Eurasian Economic Union” strategy by Russia</p> <ul style="list-style-type: none"> <li>➤ Reviewed 8 project proposals, including 1) Land &amp; Sea Cross Border Transportation Project of Hunchun via Zarubino Port; 2) Hunchun (China) – Zarubino (Russia) Transportation Channel and International Logistics Park Project; 3) Jiaohe Emergency Coal Reserves Center Project; 4) Offshore Fishing Project in Russia’s Kamchatka Peninsula; 5) The Coronet in Eastern Mongolia; 6) The Development of Road Infrastructure in Dornod Province; 7) Small-scale oil Refinery; 8) Establishment of LSC</li> </ul>
<b>4<sup>th</sup> LCC Meeting</b>	Oct.12 2016	Sokcho, Gangwon, ROK	Gangwon Provincial Government	Gangwon Declaration	<ul style="list-style-type: none"> <li>➤ Agreed to jointly implement LCC Action Plan for 2016-2020.</li> <li>➤ Applauded the LSC for the implementation of its first Pilot Route Testing Project and expressed LCC’s confidence in future successful projects</li> <li>➤ Identified following key areas for promoting mutually beneficial cooperation: visa and customs clearance procedures, technology transfer between members, investments in piloting new transport connectivity routes, tourism routes development, trade and investment promotion, expansion of cultural and educational exchanges, increasing investment and trade cooperation</li> <li>➤ Proposed following project ideas: 1) Pilot sea-land route</li> </ul>

					testing involving Yingkou and Busan ports; 2) Joint research on governance of logistics; 3) Joint piloting new cruise lines to promote cruise tourism in the region; 4) Joint research to simplify logistics clearance procedures to address the high transaction cost for people and cargo movement
<b>5<sup>th</sup> LCC Meeting</b>	Aug.16 2017	Heihe, Heilongjiang, China	Heilongjiang Provincial Government	Heihe Declaration	<ul style="list-style-type: none"> <li>➤ Reviewed and approved five project proposals: 1) the China-Europe Block Train Project of Yingkou Port, 2) the Harbin-Europe International Block Train Project, 3) the Paved Road Project from Choibalsan City in Dornod Province in Mongolia to Khavirga-Arkhashaat, at the Chinese-Mongolian Border, 4) the Paved Road Project Heading Southeast from Choibalsan City to Khalkhgol /Sumber/ Soum of Dornod Province, 5) and the Paved Road Project Heading North from Choibalsan Soum to Bayn-Uul Soum of Dornod Province of Mongolia to Ulikhan-Ulikhan Maikhan, at the Russian-Mongolian Border.</li> <li>➤ Recommended to work jointly to identify opportunities for improving regional cooperation mechanisms and platforms, deepening investment and trade cooperation and promoting industrial upgrading to realize mutual benefit and common development</li> <li>➤ Welcomed representatives from private sector, research institutions and international organizations to show their insights into local cooperation</li> </ul>

					<ul style="list-style-type: none"> <li>➤ Welcomed Selenge Province of Mongolia as a new member</li> </ul>
<b>6<sup>th</sup> LCC Meeting</b>	July.13 2018	Hoki Tottori, Japan	Tottori Prefectural Government	Tottori Declaration	<ul style="list-style-type: none"> <li>➤ Reviewed the report on the session II "Go back to 2011" of the Preparatory Meeting for the 6th GTI NEA Local Cooperation Meeting</li> <li>➤ Congratulated the successful conclusion of the Pilot Transport Testing Project (Mudanjiang - Suifenhe - Grodekovo - Vladivostok - Donghae - Sakaiminato) and the first trial of the new Pilot Transport Testing Project (Changchun - Hunchun - Zarubino - Vladivostok - Donghae - Sakaiminato)</li> <li>➤ Reviewed the Chita Logistics Hub project proposed by Zabaykalsky Krai, Russian Federation, and agreed to work jointly to attract private investment for the successful construction of the industrial park and consolidated export area.</li> <li>➤ Reviewed the Milk Run Logistics System project, which will be further structured and formatted to be submitted to LCC for consideration in due course.</li> <li>➤ Reviewed two project ideas from Dornod province, respectively aiming for regional agricultural and tourism cooperation. The agricultural initiative indicated providing naturally-grown agricultural products and grass-fed livestock to the NEA region by utilizing intensive agricultural methods and advanced technologies. The</li> </ul>

					<p>“Community-Based Tourism” initiative, which is still a concept, intends to strengthen cross-border and border area tourism by deregulating the short-term visa regime and offering one-package tourism products.</p> <ul style="list-style-type: none"><li>➤ Organized joint session with private sector</li><li>➤ Agreed to draft GTI LCC Technical Guide and conducted on-line capacity building survey.</li></ul>
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## **1.11 Preparatory Meeting (Pre-Meeting) for the LCC Meeting**

The LCC convenes its annual Preparatory Meeting hosted by each LCC member on a voluntary basis. In order to ensure level of representation during the Preparatory Meetings, each LCC member shall be represented at Director-General Level or similar level.

**Table 3: List of past LCC preparatory meetings**

	<b>Time</b>	<b>Location</b>	<b>Meeting Host</b>	<b>Outcomes</b>
<b>Pre-Meeting for the 1<sup>st</sup> LCC Meeting</b>	Nov.2 2012	Beijing, China	Jilin Provincial Government	<ul style="list-style-type: none"> <li>➤ Reviewed the LCC Framework</li> <li>➤ Planned for the Inaugural LCC Meeting</li> <li>➤ Decided on topics of the Local Development Forum</li> </ul>
<b>Pre-Meeting for the 2<sup>nd</sup> LCC Meeting</b>	N/A	N/A	N/A	N/A
<b>Pre-Meeting for the 3<sup>rd</sup> LCC Meeting</b>	May.7 2015	Shenyang, Liaoning, China	Liaoning Provincial Government	<ul style="list-style-type: none"> <li>➤ Reviewed the preparatory work done by the Dornod province, the host of the 3<sup>rd</sup> LCC Meeting</li> <li>➤ Reviewed Project Proposals submitted under the LCC</li> <li>➤ Reviewed update from the GTI Secretariat on the activities under the LCC</li> </ul>
<b>Pre-Meeting for the 4<sup>th</sup> LCC Meeting</b>	May.19 2016	Busan, ROK	Busan Metropolitan City Government	<ul style="list-style-type: none"> <li>➤ Reviewed proposed mid-term plan and potential joint project</li> <li>➤ Planned for the 4<sup>th</sup> LCC Meeting</li> <li>➤ Held discussions among the LCC members and observers on potential joint projects based on the Mid-Term Plan of Action</li> </ul>
<b>Pre-Meeting for the 5<sup>th</sup> LCC Meeting</b>	May.23 2017	Manzhouli, Inner Mongolia, China	Inner Mongolia Autonomous Region	<ul style="list-style-type: none"> <li>➤ Reviewed potential proposals Eurasian Railway Transport Route (Liaoning-</li> </ul>

			Government	<p>Manzhouli- Europe and Liaoning – Mongolia – Europe)</p> <ul style="list-style-type: none"> <li>➤ Reviewed LCC Action Plan Matrix (2016-2020) and Brainstormed on other proposals/ideas</li> <li>➤ Planned for the 5<sup>th</sup> LCC Meeting</li> </ul>
<b>Pre-Meeting for the 6<sup>th</sup> LCC Meeting</b>	May.16 2018	Yingkou, Liaoning, China	Liaoning Provincial Government	<ul style="list-style-type: none"> <li>➤ Reviewed Information Exchange on Local Cooperation Activities and discussed potential Projects/Policy Proposals</li> <li>➤ Held brainstorming exercises “Going Back to 2011” with inputs from all LCC members</li> <li>➤ Planned for the 6<sup>th</sup> LCC Meeting J</li> </ul>

## 1.12 Funding of Activities

### There is no membership fee for LCC members.

However, according to the LCC's **Terms of Reference**, the funding of LCC activities initiated by local governments shall be mainly provided by LCC members, and the GTI member governments and international partners will be encouraged to co-finance these activities.

The organizational costs of LCC meetings and preparatory meetings shall be mainly undertaken by the hosting government(s) with the support of other parties.

In past LCC meetings and preparatory meetings, the financial responsibilities have been shared as follow:

- ◆ Hosting province is expected to provide key logistical support for the participants of the event and event organization, traditionally including pick-up and drop-off service, meeting venue, a technical tour for the participants and a welcome dinner.
- ◆ All participants are expected to cover their own international flights and accommodations.
- ◆ The GTI Secretariat takes primary role in organization of all meetings, including preparation of meeting agenda, invitation to LCC members and other partners, preparation of the meeting documents, as well as hosting a working lunch.

If any meeting is held in Beijing for the reason of convenience, GTI secretariat may cooperate to prepare the meeting venue (i.e. a meeting room).

Cost sharing shall take into consideration based on each LCC member's varying financial situations.

## 1.13 Project Development

The LCC projects could be divided into two categories:

- ◆ soft project that aims to address policy coordination and institutional and regulatory barrier removal, and
- ◆ hard project or Investment project that need involvement of banks and private sector investors.

### 1.13.1 Soft Project

Realizing the absence of a fundamental selection and funding criteria for GTI soft project activities, the Member States requested the GTI Secretariat to prepare a special regulation where

relevant selection and funding criteria of the GTI projects which require financial support from the GTI Special Account for Projects shall be prescribed.

The GTI Secretariat prepared the “**GTI Guideline for Soft Projects**”(Annex 3) which was approved by the 16<sup>th</sup> CC Meeting held in 2016 in Seoul, Republic of Korea in 2016. The document provides practical guidance for GTI project cycle management in terms of project proposal development, selection and approval procedures, project execution as well as project evaluation, reflecting best practices and specifics of GTI implemented projects. It contributes to generating and formulating quality project proposals which will entice financing from the Members States and external sources.

“**GTI Guideline for Soft Projects**” contains 6 annexes: *Flow Chart of Decision and Procedures* (Annex 3-1), *Project Proposal Template* (Annex 3-2), *Project Formulation Guideline* (Annex B3-3), *GTI Project Proposal Assessment Form* (Annex 3-4), *Template for GTI Project Progress Report* (Annex 3-5), *Template for GTI Project Terminal Report* (Annex 3-6).

LCC members should follow the “**GTI Guideline for Soft Projects**” and utilize the *Project Proposal Template* (Annex 3-2) to formulate their project proposals. A well-addressed proposal shall be submitted to GTI Secretariat for further review.

In preparing the Project Proposal, the proponent LCC member may ask the GTI Secretariat for assistance or guidance. The GTI Secretariat has the right to ask the proponent member to reformulate the Project Proposal to better align with GTI Strategic Action Plan and sectoral action plan. The GTI Secretariat will first submit the Project Proposals that meets the *Requirements for Project Idea* which are stated in “**GTI Guideline for Soft Projects**” to LCC for its review and approval.

Once the Project Proposals are approved by LCC, the GTI Secretariat will submit the Project Proposals with its assessment note to the relevant GTI Sectoral Boards or Committees for its consideration.

If the relevant GTI Sectoral Boards/Committees have agreed on the fully formulated Project Proposal, the GTI Secretariat shall submit the Project Proposal to NCs for their appraisal.

The project(s) which scored higher than others and was (were) selected for final approval shall be moved to the Consultative Commission.

The Consultative Commission will consider the Project Proposal, including its financial arrangements, and will:

- endorse the contributions from the GTI Account and approve the Project to be pursued under the GTI framework,
- refer the Project Proposal back to the relevant GTI Sectoral Board/Committee or NCs to make specified amendments, or
- reject the Project Proposal.

Once the Project Proposal has been approved and its finance has been secured, the GTI Secretariat will be given the task to initiate project implementation. A detailed *Flow Chart of Decision and*

*Procedures* can be found in Annex B6-1.

### **1.13.2 Hard Project**

Although there is no written guideline for hard projects, “**GTI Guideline for Soft Projects**” serves as a good reference. Again, when members plan to propose hard projects, LCC members should follow the “**GTI Guideline for Soft Projects**” and utilize the template to formulate their project proposals. The GTI Secretariat will submit the Project Proposals approved by the LCC members to the relevant GTI Sectoral Boards or Committees for its consideration, and then to the EXIM Bank Association or other financial organizations for financial consideration.

In terms of receiving financial assistance from the EXIM Bank Association/ other financial organizations, investment decisions will be made by members of the EXIM Bank Association/ other financial organizations following their own internal investment decision procedures.

The entire flow of decision and procedures for approval of hard project proposals will follow the *Flow Chart of Decision and Procedures* identified in Annex B3-1.

## **2 Logistics Sub-Committee**

### **2.1 Introduction**

From 2013 to 2014, the GTI commissioned three studies to evaluate the potential of transport corridors in Northeast Asia: 1) “Integrated Transport Infrastructure and Cross-border Facilitation Study for the Trans-GTR Transport Corridor” (2013), 2) study report on “Software Support to the Operationalization of Transport Corridors in the Greater Tumen Region (GTR)” (2013), and 3) “Evaluation Study on the Sea-Land Routes in Northeast Asia” (2014). The above mentioned studies highlighted that the demand for transport and logistics in Northeast Asia are expected to experience exponential growth due to large-scale development policies and programs implemented by NEA nations. However, a number of challenges that impede utilization of these routes were also identified in the studies. These challenges include, but not limited to overall connectivity through border crossing points, lack of local government incentive systems to transport service providers at initial stage, lack of policy supports to boost the transport infrastructure improvement, weak software support to transport corridor and absence of sound management structure for the transport corridors.

Furthermore, the “Trade Facilitation Study Report for the GTR” (2013), commissioned by the UNDP has also revealed that the GTR is suffering from three severe barriers to trade expansion,

including market access barrier, increased cost trading caused by burdensome border procedures and formalities, and transportation inconvenience. In addition, the report also highlighted the disconnection between the decision makers at central level and local level stakeholders in the interagency consultation process on trade facilitation.

Therefore, without addressing these fundamental barriers, the routes in GTR would not be attractive and competitive enough in order to attract private investments.

Parallel to that, Tottori Prefecture of Japan had been implementing “Sea-Land multi-modal Trial Transportation Project” for several years. Several bottlenecks concerned with cross-border trade were also identified through this project.

Building on these lessons and experiences, Tottori proposed to establish a Logistic Committee focusing on sea-land transportation and routes development under the LCC platform in 2014. In order to meet the growing demand, the LCC members agreed at the 2nd GTI LCC Meeting in Tottori to establish a “Logistics Sub-Committee” to enhance local governments’ effort to facilitate the regional transport and trade.

Following the official establishment of LSC that was approved during the 3<sup>rd</sup> LCC Meeting on August 7 2015, the five founding members, namely Gangwon, Heilongjiang, Jilin, Liaoning, Tottori, took part in the Inaugural Meeting of LSC on the same day. During the Inaugural Meeting, the participants reiterated their commitments to deepen logistics cooperation by removing the logistics barriers that impede trade and the transport of people and goods within the region.

LSC was designed to enhance policy coordination between local & central authorities to address logistics bottlenecks, 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.

## 2.2 Objectives

According to **LSC’s Terms of Reference** (Annex B4), the overarching objective of the LSC is to serve as a as a platform of local cooperation to promote facilitation, efficiency, enhancement of transport logistics in GTR. Under this objective, the LSC shall have, tiers of functions:

- ◆ Enhance policy coordination between local & central authorities to address bottleneck that impede the regional logistics development potentials;
- ◆ Improve logistics development by testing sea-land intermodal pilot transportation routes in collaboration with shippers, inland transportation operators, international logistics service providers (forwarders), maritime companies and GTI Transport Board and/or

GTI Trade Facilitation Committee etc;

- ◆ Promote Public-Private Partnership to mobilize resources and international support for piloting new transport routes and improving the existing routes for full use as well as other transports logistics such as warehousing, software support for transport etc;
- ◆ Exchange information on shippers, international logistics service providers (forwarders), export and import freight and trade size and routes etc. in the region.

## 2.3 Principles

The LSC shall be guided by the following principles:

- ◆ it is a non-binding partnership network without legal identity or international agreements required;
- ◆ participation in the LSC is on a volunteer basis by NEA local governments and interested private and public sector;
- ◆ it will make decisions by consensus through constructive dialogue; and
- ◆ it respects equality, diversity and sovereignty of the members.

## 2.4 Membership

Currently, there are 9 members of LSC: Heilongjiang Province, Manzhouli City of Inner Mongolia Autonomous Region, Jilin Province, Liaoning Province, and Yingkou City of PRC; Tottori Prefecture of Japan; Dornod Province of Mongolia; Gangwon Province and Busan Metropolitan City of ROK.

## 2.5 Membership Application

The members of the LSC shall consist of the local governments or their mandates from China, Mongolia, ROK, Russia, Japan and DPRK, in particular those from and close to the GTR. The additional membership application, including key private sector representatives that are agreed by the local government, should be submitted to the LSC for approval on the basis of consensus.

The membership of the LSC shall be at least at Director General's level to ensure that decisions and agreement reached at Logistics Committee have financial and political backing.

If an entity that meets all the above-mentioned criteria wishes to become an official member of

LSC, the entity should first seek permission from the local government/ central government.

The GTI Secretariat has also constructed the “**LSC Membership Application Form**” (Annex 5-1 & Annex 5-2 for local government and private respectively) for your conveniences. The entity should carefully follow the instructions on the “**LSC Membership Application Form**” and properly fill out the form.

Once the entity receives permission, a signed official application letter along with the filled “**LSC Membership Application Form**” shall be both submitted to the LSC in writing for approval on the basis of consensus and in consultation with the GTI Consultative Commission.

Meanwhile, if local governments and private sector representatives from GTI member countries or non-member countries do not wish to become official LSC members, they may participate in LSC activities as Observers under the unanimous agreement of the LSC members. Observers could make comments or recommendations on LSC activities upon their request.

If other representatives from entities which are neither LSC members nor LSC observers, upon their request, they may participate in LSC meetings to make comments or recommendations if necessary. These entities shall be from private sector (such as shipping company, inland transporter, international forwarder etc), special government agencies handling transportation and logistics, or non-governmental organizations associated with transport and promotion of trade is neither,

## 2.6 LSC Rotation

The Chairperson of the LSC shall be the Representative of the member province on a rotation basis with one year term, with extension of additional one year by consensus, if necessary. The sequences shall be *Tottori-Liaoning-Gangwon-Jilin-Heilongjiang-Busan-Dornod-Inner Mongolia-Yingkou*. The chairpersonship of new members and cases of exception on the rotation shall be approved by the LSC.

The Chairperson of the LSC shall exercise his or her role in leading the activities of the LSC, including:

- ◆ convene the LSC meetings and oversee the LSC activities;
- ◆ coordinate with other LSC members, the LCC, the GTI Secretariat and relevant Committees and Boards under GTI;
- ◆ undertake other tasks entrusted by the LSC.

## 2.7 LSC Activities & Meetings

The main activities of LSC under the above mentioned framework of objectives include, but not limited to:

- ◆ Information sharing on Regional transport, trade and associated logistics
- ◆ Identification of bottlenecks in regional logistics development and implementation of pilot projects to address the bottlenecks in regional logistics development
- ◆ Facilitation of stakeholders' consultations to address the bottlenecks in regional logistics development.
- ◆ Improvement of administrative efficiency for custom clearance process.
- ◆ Communication between central government and local government for enhancing the regional logistics development.
- ◆ Analysis on facilitation of trade and logistics and suggestion on concrete cooperation plans

## 2.8 LSC Meetings

The LSC convenes its annual meeting, held back-to-back with the LCC meeting. A working meeting is held before the LSC Meeting. LSC working meeting held back-to-back with the LCC preparatory meeting.

The annual LSC meeting shall be the principal decision-making body of the LSC, and during this meeting, members will:

- ◆ reach agreements on important cooperative activities;
- ◆ review, discuss and plan LSC activities;
- ◆ exchange information and strengthen common understanding;
- ◆ undertake other tasks entrusted by the LSC.

The working language of the LSC Meeting shall be English.

The host province of the LSC meeting should cooperate with LSC chairperson for preparing the meeting venue of the LSC, regardless of whether the host province of the LCC meeting is a member or not.

**Table 4: List of past annual LSC meetings**

	Time	Location	Meeting Host	Outcomes
<b>1st LSC Meeting</b>	Aug.7 2015	Choibalsan, Dornod, Mongolia	Dornod Provincial Government	<ul style="list-style-type: none"> <li>➤ Reviewed pilot transport routes and identified two potential sea-and-land routes for testing: 1) Harbin-Suifenhe-Vladivostok-Donghae-Sakaiminato; 2) Changchun-Hunchun-Zarubino/Vladivostok-Donghae-Sakaiminato</li> <li>➤ The Secretariat requested all LSC members to refine the initial “Information Sharing Sheet” and nominate focal contact points</li> <li>➤ Emphasized the importance of the Russia’s involvement, and the GTI Secretariat pledged to convey its message to the Ministry of Economic Development of the Russian Federation to encourage the local governments’ participation in LSC</li> </ul>
<b>2nd LSC Meeting</b>	Oct.12 2016	Sokcho,Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ Expanded its membership by welcoming Busan Metropolitan City</li> <li>➤ Agreed to update the information sharing sheets twice a year, before the working level meeting and before the annual LSC meeting</li> <li>➤ Reviewed progress on implementation of the “Pilot Transport Project for: Mudanjiang-Suifenhe-Vladivostok-Donghae-Sakaiminato Route”</li> <li>➤ Discussed and adopted 2016-2017 Work Plan of LSC</li> </ul>
<b>3rd LSC Meeting</b>	Aug.16 2017	Heihe,Heilongjian g, China	Heilongjiang Provincial Government	<ul style="list-style-type: none"> <li>➤ Reviewed the Information Sharing Sheets and Assessment Forms on Logistics Barriers and Regional Cargo Data, the Logistics Data on Selected Sea-Land Routes</li> </ul>

				<ul style="list-style-type: none"> <li>➤ Discussed development of Sea-Land Routes and reviewed Progress Report of the Pilot Route Testing Project</li> <li>➤ Approved membership applications of Dornod Province and Inner Mongolia Autonomous Region</li> <li>➤ Reviewed the Work Plan for 2017 and concluded that the Work Plan for 2017 should be further updated by the Secretariat in light of the discussion at the 5<sup>th</sup> LCC Meeting</li> </ul>
<b>4th LSC Meeting</b>	July.13 2018	Saihaku,Tottori, Japan	Tottori Prefectural Government	<ul style="list-style-type: none"> <li>➤ Reviewed the Assessment Form for “Information Sharing Sheet-Logistics Barriers and Cargo Data”</li> <li>➤ Reviewed the outcomes of the meeting with the Far Eastern Customs Directorate of Russia, Vladivostok Port</li> <li>➤ Approved the new Pilot Transportation Testing Project</li> <li>➤ Approved Yingkou city’s membership application</li> </ul>

## **2.9 Working Meeting for the LSC Meeting**

The LSC convenes its annual Working Meeting, back-to-back with the LCC Preparatory Meeting.

**Table 5: List of past LSC working meetings**

	<b>Time</b>	<b>Location</b>	<b>Meeting Host</b>	<b>Outcomes</b>
<b>Working Meeting for the 1<sup>st</sup> LSC Meeting</b>	N/A	N/A	N/A	N/A
<b>Working Meeting for the 2<sup>nd</sup> LSC Meeting</b>	May.19 2016	Busan, ROK	Busan Metropolitan City Government	<ul style="list-style-type: none"> <li>➤ Reviewed the “Information Sharing Sheet” and “In-depth information for selected Sea-land routes”</li> <li>➤ Brainstormed on “Next Steps of Prioritized Logistics Barriers”</li> <li>➤ Reviewed project proposal of the “Pilot Route Project”</li> <li>➤ Discussed potential projects and Work Plan for 2016-2017</li> </ul>
<b>Working Meeting for the 3<sup>rd</sup> LSC Meeting</b>	May.23 2017	Manzhouli, Inner Mongolia, China	Inner Mongolia Autonomous Region Government	<ul style="list-style-type: none"> <li>➤ Reviewed the “Information Sharing Sheet - Logistics Barriers and Regional Cargo Data”</li> <li>➤ Reviewed the “Logistics Data for selected Sea-Land Routes”</li> <li>➤ Evaluated report on the “Pilot Route Testing Project”</li> <li>➤ Discussed on potential projects and Work Plan for 2017-2018</li> </ul>
<b>Working Meeting for the 4<sup>th</sup> LSC Meeting</b>	May.16 2018	Yingkou, Liaoning, China	Liaoning Provincial	<ul style="list-style-type: none"> <li>➤ Reviewed outcomes of the Meeting with the Far Eastern Customs</li> </ul>

			Government	Administration of Russia <ul style="list-style-type: none"><li>➤ Reviewed the Assessment Form on “Information Sharing Sheet- Logistics Barriers and Cargo Data”</li><li>➤ Assessed the New “Pilot Transport Testing Project” and other proposals</li><li>➤ Discussed the Work Plan for 2018-2019</li></ul>
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## 2.10 Funding

### There is no membership fee for LSC members.

The funding of activities initiated by local governments shall be mainly provided by LSC members, and the GTI member governments and international partners will be encouraged to co-finance these activities.

The necessary cost for the implementation of the pilot transportation project should be paid by the relevant local governments and private sector(s).

The organizational costs of the LSC meetings and working meetings shall be mainly undertaken by the hosting government(s) with the support of other parties.

If any meeting is held in Beijing for the reason of convenience, GTI secretariat may cooperate to prepare the meeting venue (i.e. a meeting room).

Since the LSC meetings are usually held back-to-back with LCC meetings and the LSC working meetings are usually held back-to-back with LCC preparatory meetings, the division of financial responsibilities shall be as follow:

- ◆ Hosting province is expected to provide key logistical support for the participants of the event and event organization, which traditionally included pick-up and drop-off service, meeting venue, a technical tour for the participants and a welcome dinner.
- ◆ All participants are expected to cover their own international flights and accommodations.
- ◆ The GTI Secretariat takes primary role in organization of all meetings, including preparation of meeting agenda invitation to members and other partners, and preparation of the meeting documents as well as hosting a working lunch.

Cost sharing shall take into consideration of each member's varying financial situation.

## 2.11 Project Implementation

Project ideas can be initiated by any of the members. In terms of the project proposal procedures, LSC members shall refer to “Project Development” section in LCC part in the Technical Guide.

Again, when LSC members plan to propose projects, members should follow the “**GTI Guideline for Soft Projects**” and utilize the *Project Proposal Template* to formulate their project proposals. The projects shall be implemented under the LSC's jurisdiction based on consensus among the members.

The GTI Secretariat will first submit the Project Proposals to LSC for its review and approval.

Once the Project Proposals are approved by LSC, the GTI Secretariat will submit the Project

Proposals with its assessment note to LCC and the relevant GTI Sectoral Boards or Committees for its consideration.

If LCC and the relevant GTI Sectoral Boards/Committees have agreed on the fully formulated Project Proposal, the GTI Secretariat shall submit the Project Proposal to NCs for their appraisal.

For detailed procedures, please refer to “1.13 Project Development” section

In case of LSC projects, a task force should be created for each pilot transport project for effective implementation without unnecessary delay.

A task force may be composed of 1) LSC member provinces concerned, 2) other parties/persons (representatives of the private sector, logistics experts etc.) if necessary. During its operation, the task force will report to the chairperson of the LSC Meeting and shall automatically dissolve upon accomplishment and/or finalization of pilot project, unless otherwise agreed by LSC chairperson.

## **3 GTI Local Development Forum**

### **3.1 Introduction**

The participant governments and UNDP acknowledged that the GTI is acting as an important platform for economic cooperation and exchanges in Northeast Asia and promoting sustainable development and stability in the region. It was agreed that the GTI member countries will make pragmatic efforts to advance regional cooperation and to strengthen the GTI mechanism to achieve broader practical results at the critical stage of obtaining the full ownership of the GTI program. In this regard, the participant governments shared the view that it would be of great use to discuss the regional cooperation in Northeast Asia at a higher political level.

Therefore, the participant governments and UNDP agreed to hold Local Development Forums in conjunction with CC meetings.

The Local Development Forum focused on trans-border economic and social cooperation. Given that the regional cooperation is crucial in cultivating an enabling environment for investment, this forum aimed to discuss the promotion of the GTI community, paying special attention to regional cooperation.

The Local Development Forum provided an effective platform for discussion, allowing all participants the opportunity to express their various views on how to increase trans-border cooperation and build the GTI community. Central and local government officials, businessmen and academics from LCC member provinces, discussed practical and applicable measures to further cultivate the area and boost local development.

## **3.2 Hosting of GTI Local Development Forum**

The Local Development Forum was originally held back-to-back with the annual CC meeting. Starting in 2013 when the first LCC Meeting was held in Changchun, Jilin, China, the Forum has been usually held back-to-back with the LCC meeting and LSC meeting. The Local Development Forum shall be organized annually with the support of GTI member governments, encouraging the exchanges and partnership building as well as generating policy recommendations and project proposals among local governments and other regional stakeholders.

**Table 6: List of past Local Development Forums**

	Time	Location	Forum Host	Themes
<b>1<sup>st</sup> Local Development Forum</b>	Sept.2 2010	Changchun,Jilin, China	Jilin Provincial Government	“Greater Tumen Initiative – Gateway to Northeast Asia”
<b>2<sup>nd</sup> Local Development Forum</b>	Sept.27 2011	Pyongchang, Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ “Strengthening Local Government Cooperation in Northeast Asia”</li> <li>➤ “Cooperation in Key Sectors of the Economy for Local Development”</li> </ul>
<b>3<sup>rd</sup> Local Development Forum</b>	Aug.30 2013	Changchun,Jilin, China	Jilin Provincial Government	“Strengthening NEA Local Cooperation and Advancing the development of Sea-Land Transportation”
<b>4<sup>th</sup> Local Development Forum</b>	Aug.6 2014	Yonago,Tottori, Japan	Tottori Prefectural Government	“Regional Cooperation in Northeast Asia towards Sustainable Economic Growth”
<b>5<sup>th</sup> Local Development Forum</b>	Aug.7 2015	Choibalsan, Dornod, Mongolia	Dornod Provincial Government	“Cross-Border Trade Facilitation: Opportunities & Challenges at Local Level”
<b>6<sup>th</sup> Local Development Forum</b>	Oct.12 2016	Sokcho, Gangwon,ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ “Vitalizing plan of logistics cooperation in GTI area”</li> <li>➤ “Prospect of Possibility of logistics business market in GTI region”</li> </ul>
<b>7<sup>th</sup> Local Development Forum</b>	July.13 2018	Hoki,Tottori, Japan	Tottori Prefectural Government	“Logistics Development in Northeast Asia”

## 4 LCC Joint Session with Consultative Commission (CC)

On September 28 2011, CC had its first Joint Session with representatives from NEA local governments in Pyeongchang, Gangwon, ROK during the 12<sup>th</sup> CC Meeting. The Joint Session serves as a platform for constructive dialogue between central and local governments on critical development issues, such as. During this Joint Session, local government representatives had opportunities to each did a presentation on local development and cooperation, expressed its willingness on joining LCC, proposed priority cooperation areas, and expressed views on the LCC Inaugural Meeting and other activities. Later in this session, local governments had joint discussion and interactions with the GTI central governments.

Starting 2013, CC has continually host joint session with LCC. This joint session usually takes place in “Session III: Strategic Development” during the annual CC meeting where local governments can come together with central governments from GTI member countries to have a constructive joint discussion on not only progress made by LCC joint efforts but also future cooperation and development.

During the CC joint session with LCC in 2013 in Ulaanbaatar, Mongolia, the GTI Secretariat introduced the progress of the LCC, in particular the outcome of the LCC Inaugural Meeting that was successfully concluded on August 30 2013.

Since 2014, the hosting province of previous year’s LCC meeting has become the presenter of the LCC’s progress, in particular the outcome of LCC meetings, and hosting province’s involvement in and efforts on local cooperation and LCC. Hence, the hosting province of previous year’s LCC meeting is responsible for preparing necessary documents and presentation materials for the joint session. Other local governments are welcomed to make comments to express their views. CC will then have dialogue with local governments on policy coordination.

CC joint session with LCC has become a critical platform for both local governments and central governments to seek more smooth policy coordination and to foster strategic development.

In terms of cost of participation in the joint session, the GTI Common Fund will cover the expenses of two participants from hosting province of the previous year's LCC meeting, the cost of participants from other provinces will be covered by themselves.

**Table 7: List of past CC joint sessions with LCC**

	<b>CC Meeting</b>	<b>Time</b>	<b>Location</b>	<b>Content</b>
<b>1<sup>st</sup> Joint Session</b>	12 <sup>th</sup> CC Meeting	Sept.28 2011	Pyongchang, Gangwon, ROK	➤ Announcement of the establishment of the LCC and invitation to the Capacity Building Project for NEA Local Governments
<b>2<sup>nd</sup> Joint Session</b>	13 <sup>th</sup> CC Meeting	Oct.10 2012	Vladivostok, Russian Federation	➤ The Secretariat introduced progress on the development of the LCC, including the preparation of the Inaugural LCC Meeting and the Capacity Building Program for LCC
<b>3<sup>rd</sup> Joint Session</b>	14 <sup>th</sup> CC Meeting	Oct.30 2013	Ulaanbaatar, Mongolia	➤ The Secretariat introduced the progress of the LCC, in particular the outcome of the Inaugural LCC meeting
<b>4<sup>th</sup> Joint Session</b>	15 <sup>th</sup> CC Meeting	Sept.17 2014	Yanji, Jinlin,China	➤ Tottori Prefectural Government as hosting province of the 2 <sup>nd</sup> LCC Meeting, presented the progress of the LCC and the main outcomes of the 2 <sup>nd</sup> LCC Meeting
<b>5<sup>th</sup> Joint Session</b>	16 <sup>th</sup> CC Meeting	Apr.28 2016	Seoul,ROK	➤ The Dornod Government, as a host of the 3 <sup>rd</sup> GTI NEA LCC Meeting, presented the progress of the LCC and the main outcomes of the 3 <sup>rd</sup> LCC Meeting
<b>6<sup>th</sup> Joint Session</b>	17 <sup>th</sup> CC Meeting	Jun.29 2017	Moscow, Russian Federation	➤ The Gangwon Provincial Government, as a host of the 4 <sup>th</sup> LCC Meeting, presented the progress of the LCC and the main outcomes of the 4 <sup>th</sup> LCC Meeting.
<b>7<sup>th</sup> Joint Session</b>	18 <sup>th</sup> CC Meeting	Jun.22 2018	Ulaanbaatar, Mongolia	➤ The Heilongjiang Provincial Government, as a host of the 5 <sup>th</sup> LCC Meeting, presented the progress of the LCC and the main outcomes of the 5 <sup>th</sup> LCC Meeting

## 5 The GTI Trade and Investment EXPO

The GTI International Trade and Investment EXPO, organized annually since 2013, is hosted by Gangwon Province in cooperation with the GTI Secretariat. This multi-day event provides various opportunities for traders, investors, and government officials from both GTR and non-GTR region to exchange views on regional investment relations and engage in trade consultation. In addition, the EXPO is a chance for both domestic and international enterprises to present trademark products and service which ranges from high-tech industrial devices to local organic food.

The GTI Trade and Investment EXPO host the GTI International Cooperation Forum which aims to encourage discussions on promoting economic cooperation in GTI regions, particularly in areas of transportation, trade, and tourism. The EXPO also hosts several other major activities, such as the Korea and China Investment Briefing, and NEA Women CEO Conference, Leaders Summit of the World Federation of Korean Association of Commerce, Trade and Investment Consulting, Global Food Festival, Excellent Products Bargain Sale, Give-away and Hands-on Experience Event, 3Events per Night, GTI Expo Award.

The EXPO usually concludes with an award ceremony for best products as well as a trade and investment consulting session which focuses on the future of trade expansion in the GTR and workable solutions for even greater mutual investment.

**Table: List of past GTI International Trade and Investment EXPOs**

	Time	Location	Meeting Host	Outcomes
<b>1<sup>st</sup> GTI International Trade and Investment Expo</b>	Jun. 06-12 2013	Gangneung , Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ 520 companies participated in the EXPO</li> <li>➤ Contracts amounted to USD 5.2 million</li> </ul>
<b>2<sup>nd</sup> GTI International Trade and Investment Expo</b>	Oct. 23-26 2014	Gangneung , Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ 550 companies participated in the EXPO</li> <li>➤ 55 export contracts were successfully concluded, amounting to USD 46 million USD</li> </ul>
<b>3<sup>rd</sup> GTI International Trade and Investment Expo</b>	Oct. 22-25 2015	Sokcho, Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ Around 650 participated in the EXPO</li> <li>➤ Contracts amounted to USD 26 million</li> </ul>
<b>4<sup>th</sup> GTI International Trade and Investment Expo</b>	Oct.13-16 2016	Sokcho, Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ Around 650 companies participated in the EXPO</li> <li>➤ Contracts amounted to USD 66 million</li> </ul>
<b>5<sup>th</sup> GTI International Trade and Investment Expo</b>	Sept. 21-24 2017	Donghae, Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ Around 700 companies participated in the EXPO</li> <li>➤ Contracts amounted to USD 68 million</li> </ul>
<b>6<sup>th</sup> GTI International Trade and Investment Expo</b>	Sept. 13-16 2018	Donghae, Gangwon, ROK	Gangwon Provincial Government	<ul style="list-style-type: none"> <li>➤ 850 companies participated in the EXPO</li> <li>➤ Contracts amounted to USD 149 million</li> </ul>

## 6 Role of the GTI Secretariat in LCC

The GTI Secretariat shall provide necessary technical support for the effective performance of the LCC, coordinating with the English-speaking focal points of LCC

members, facilitating the communications among members, and working together with the hosting government for the organization of the LCC Meeting.

The GTI Secretariat shall also provide necessary technical support for the effective performance of the LSC, coordinating with the English-speaking focal points of LSC members, facilitating the communications among members, and working together with the LSC Chairperson for the organization of the LSC Meeting and implementation of pilot project(s).

The LCC members are encouraged to second local government officers to work at the GTI Secretariat on a rotation basis to support LCC cooperation activities.

## 7 Division of Work

### 7.1 LCC and LSC Meetings

Division of work while preparing for and hosting LCC and LSC meetings is clarified in Table 8 below. All participants and relevant parties should use Table 8 and other related documents which includes Registration Form (Annex 6-1), Logistic Note (Annex 6-2), Participants List (Annex 6-3), Travel Information Form (Annex 6-4), Meeting Seating Plan (Annex 6-5), Welcome Dinner Seating Plan (Annex 6-6), and Background Design (Annex 6-7) as references.

**Table 8: Division of Work for LCC and LSC Meetings**

Category	Items	GTI Secretariat	Hosting Province	Other Provinces	Partners	Hotel/ Meeting Venue	Note
Invitation	Confirming Meeting Date and Venue	✓	✓	✓			Meeting venue shall be decided by the hosting province. Either the hosting province or the Secretariat can propose meeting date and time, and the Secretariat shall seek opinions from all members before set the date and time of the meeting.
	Invitation Letter to Governors and International Partners	✓					GTI Secretariat shall prepare and send Invitation Letter to Governors and international partners once the time and venue of the meeting are confirmed.

	Logistic Note	✓	✓				GTI Secretariat will prepare Logistic Note basing on the information of hotel price and location, transportation, and meeting venue location provided by the hosting province.
	Registration Form	✓	✓	✓	✓		GTI Secretariat will send out Registration Form and Logistic Note to all LCC members and international partners, recipients shall send back the completed Registrations Forms to the Secretariat in a timely manner.
	Visa Invitation Letter	✓	✓	✓	✓		Hosting province shall works with the GTI Secretariat to send out Visa Invitation Letters to participants and international partners, if needed
Meeting Documents	Meeting Agenda	✓					GTI Secretariat will draft the meeting agenda before the LCC Meeting and revise it to reflect members' and partners' comments and recommendations.
	Participants List	✓					GTI Secretariat shall prepare Participants List basing on the Registration Form filled by LCC members. (There typically will be around 50 participants in total during each meeting)
	Project Proposals		✓	✓	✓		All members and partners shall prepare or

	Project Reports		✓	✓	✓		update relevant documents which were reviewed during the Preparatory Meeting and submit all documents to GTI Secretariat at least one month prior to the LCC Meeting. The Secretariat will edit, compile, print, and bind all documents.
	Policy Recommendations		✓	✓	✓		
	LCC & LSC Progress Reports	✓					GTI Secretariat will prepare LCC and LSC Progress Reports.
Travel & Accommodation	Hotel Selection		✓				Hosting Province shall select appropriate hotel for participants and contact the hotel for a reasonable price quote.
	Flight/Train Ticket Booking	✓	✓	✓	✓		All participants are responsible for booking their own round-trip tickets.
	Travel Information Form	✓	✓	✓	✓		GTI Secretariat shall prepare Travel Information Form basing on the Registration Forms filled by LCC members for hotel booking and pick-up/send-off.
	Hotel Booking		✓				Hosting Province shall book hotel rooms for all participants basing on the Travel Information Form prepared by GTI Secretariat. (All participants are expected to cover their own accommodation cost)
Local Transportati	Pick-up/Send-off		✓				Hosting province should arrange vehicles and personnel for pick-up and send-off

on						basing on the Travel Information Form
	Vehicle Allocation		✓			Hosting province shall provide transportation to all participants for technical tour (and transportation from the hotel to meeting venue, if locations are different).
Volunteer	Volunteer (Recruiting & Training)		✓			Hosting province shall recruit and train sufficient number of volunteers to help the meeting proceed smoothly, if necessary.
Meeting Venue	Selection		✓			Hosting Province shall select appropriate meeting venue for participants and contact the venue for a reasonable price quote.
	Booking		✓			Hosting province shall book the venue in a timely manner and inform the Secretariat about the location of the venue.
	Setting up		✓		✓	Hosting Province shall work with the meeting venue to properly set up the meeting room which meets the standard of official governor-level meeting.
	Registration Desk		✓		✓	Hosting Province shall work with the meeting venue to set up a registration desk for meeting check-in and name badges pick-up.

	Direction Signs		✓			✓	Hosting Province shall work with the meeting venue to set up direction signs to guide all participants to the correct meeting room.
Catering	Coffee Break	✓	✓				GTI Secretariat shall arrange coffee breaks and a working lunch. Hosting Province is also welcomed to prepare coffee breaks and host the working lunch.
	Working Lunch	✓	✓				
	Welcome Dinner		✓				
	Farewell Dinner*		✓				
Seating Plan	Meeting	✓					GTI Secretariat shall decide the seating plan for the meeting basing on the Participants List and information provided by the hosting province. (such as size and model of the table, allocation of the tables etc.)
	Welcome Dinner	✓	✓				GTI Secretariat shall work with hosting Province on deciding the seating plan for the welcome dinner.

	Farewell Dinner*	✓	✓				Hosting Province shall work with the Secretariat on deciding the seating plan for the farewell dinner if the hosting province decides to organize one.
Meeting	Co-Chairing the Meeting	✓	✓				Governor of the hosting province and Director of GTI Secretariat are expected to co-chair the meeting.
	Simultaneous Interpretation*		✓	✓			Although the working language of LCC is English, the hosting province is welcomed to prepare simultaneous interpretation for participants if the budget allows. If simultaneous interpretation is not provided, participants who need interpreters shall hire interpreters at their own costs.
Meeting Amenities	Badge & Nameplate	✓	✓			✓	If situation permits, hotel/meeting venue shall print badges and nameplates basing on the Participants List provided by the GTI Secretariat. If not, the Secretariat shall prepare these items. Hosting Province shall work with the venue to properly set nameplates up.
	Banner & Background	✓	✓			✓	GTI Secretariat will design banners and backgrounds. Hosting Province shall print them out and work with the venue to properly set them up. (if the venue offers

						electronic displays, then there is no need to print out backgrounds). If the hosting province has trouble printing banners and backgrounds, the host shall contact the Secretariat immediately.
	Flags	✓				National flags and UN flag shall be provided by the Secretariat.
	Flagpoles (min.6)		✓			✓
	MICs (min.6)		✓			✓
	Projectors (qty.1)		✓			✓
	Internet		✓			✓
	Printer (qty.1)		✓			✓
	Pens & Notepads (min. number of participants)		✓			✓
Souvenir*	Souvenir*		✓			It is not required, but hosting province may choose to offer souvenirs if the

							budget allows.
Technical Tour	Technical Tour		✓				Hosting Province shall arrange one technical tour for all meeting participants.
Post-Meeting	Thank You Letter	✓					GTI Secretariat shall send out thank-you letters to all governors, international partners, and the hosting province, if necessary.
	Declaration and Meeting Minutes	✓	✓	✓	✓		GTI Secretariat shall draft and edit the draft Declaration before the LCC Meeting and revise it to reflect members' and partners' comments and recommendations after the LCC Meeting and circulate the final version among members and partners. GTI Secretariat shall draft the LSC Meeting Minutes after the meeting for members' review and comments.
	Updates on Meeting Documents	✓	✓	✓	✓		GTI Secretariat shall make necessary updates on meeting documents basing on members' and partners' comments and recommendations, and shall circulate the final version among members and partners. LCC Members that submitted drafts of project proposals or project idea shall

						revise their proposals after the meeting basing on project proposal template, guidelines and comments and submit the final version to the Secretariat.
	E-news	✓				GTI Secretariat shall publish e-news about the meeting on GTI website.
	Photos	✓				GTI Secretariat shall circulate photos of the LCC Meeting among members and partners.

## **7.2 LCC Preparatory Meeting and LSC Working Meeting**

Division of work for LCC preparatory meetings and LSC working meetings is laid out in Table 9 below. Again, all participants and relevant parties should use Table 8 and other related documents which includes Registration Form (Annex 6-1), Logistic Note (Annex 6-2), Participants List (Annex 6-3), Travel Information Form (Annex 6-4), Meeting Seating Plan (Annex 6-5), Welcome Dinner Seating Plan (Annex 6-6), and Background Design (Annex 6-7) as references.

**Table 9: Division of Work for LCC Pre-Meetings and LSC Working Meetings**

Category	Items	GTI Secretariat	Hosting Province	Other Provinces	Partners	Hotel/ Meeting Venue	Note
Invitation	Confirming Meeting Date and Venue	✓	✓	✓			Meeting venue shall be decided by the hosting province. Either the hosting province or the Secretariat can propose meeting date and time, and the Secretariat shall seek opinions from all members before setting the date and time of the meeting.
	Invitation Letter to Participants*	✓					In principle, the Secretariat does not send out Invitation Letters for pre-meetings. However, if invitation letters are needed, participants shall contact the Secretariat.
	Logistic Note	✓	✓				GTI Secretariat will prepare Logistic Note basing on the information of hotel price and location, transportation, and meeting venue location provided by the hosting province.
	Registration Form	✓	✓	✓	✓		GTI Secretariat will send out Registration Forms and Logistic Note to all LCC members and international partners, recipients shall send back the completed Registrations Forms to the Secretariat in a timely manner.

	Visa Invitation Letter	✓	✓				Hosting province shall works with the GTI Secretariat to send out Visa Invitation Letters to all participants and international partners, if needed
Meeting Documents	Meeting Agenda	✓					GTI Secretariat will draft the meeting agenda before the Meeting and revise it to reflect members' and partners' comments and recommendations.
	Participants List	✓					GTI Secretariat will prepare Participants List basing on the Registration Form filled by LCC members. (There typically will be around 40 participants in total during each meeting)
	Project Proposals		✓	✓	✓		All members and partners shall prepare and submit relevant documents to GTI Secretariat at least one month prior to the Meeting, and the Secretariat will edit, compile, print, and bind all documents.
	Project Reports		✓	✓	✓		
	Policy Recommendations		✓	✓	✓		
	LCC & LSC Progress Reports	✓					GTI Secretariat will prepare LCC and LSC Progress Reports.
	Hotel Selection			✓			Hosting Province shall select appropriate hotel for participants and contact the hotel for a reasonable price quote.
Travel & Accommodation	Flight/Train Ticket Booking	✓	✓	✓	✓	All participants are responsible for booking their own round-trip tickets.	

	Travel Information Form	✓				GTI Secretariat shall prepare Travel Information Form basing on the Registration Form filled by LCC members for hotel booking and pick-up/send-off.
	Hotel Booking		✓			Hosting Province shall book hotel rooms for all participants basing on the Travel Information Form prepared by GTI Secretariat. (All participants are expected to cover their own accommodation cost)
Local Transportation	Pick-up/Send-off		✓			Hosting province should arrange vehicles and personnel for pick-up and send-off basing on the Travel Information Form
	Vehicle Allocation		✓			Hosting province shall provide transportation to all participants for technical tour (and transportation from the hotel to meeting venue, if locations are different).
Volunteer	Volunteer (Recruiting & Training)		✓			Hosting province shall recruit and train sufficient number of volunteers to help the meeting proceed smoothly, if necessary.
Meeting Venue	Selection		✓			Hosting Province shall select appropriate meeting venue for participants and contact the venue for a reasonable price quote.
	Booking		✓			Hosting province shall book the venue in a timely manner and inform the Secretariat about the location of the venue.

	Setting up		✓		✓	Hosting Province shall work with the meeting venue to properly set up the meeting room which meets the standard of official Director General-level meeting.
	Registration Desk		✓		✓	Hosting Province shall work with the meeting venue to set up a registration desk for meeting check-in and name badges pick-up.
	Direction Signs		✓		✓	Hosting Province shall work with the meeting venue to set up direction signs to guide all participants to the correct meeting room.
Catering	Coffee Break	✓	✓			GTI Secretariat shall arrange coffee breaks and a working lunch. Hosting Province is also welcomed to prepare coffee breaks and host the working lunch.
	Working Lunch	✓	✓			
	Welcome Dinner		✓			Hosting Province shall organize a welcome dinner for all meeting participants.
	Farewell Dinner*		✓			It is not required, but the hosting province is welcomed to organize a farewell dinner if the budget allows.
Seating Plan	Meeting	✓				GTI Secretariat shall decide the seating plan for the meeting basing on the Participants List and information provided

							by the hosting province. (such as size and model of the table, allocation of the tables etc.)
	Welcome Dinner	✓	✓				GTI Secretariat shall work with hosting Province on deciding the seating plan for the welcome dinner.
	Farewell Dinner*	✓	✓				Hosting Province shall work with the Secretariat on deciding the seating plan for the farewell dinner if the hosting province decides to organize one.
Meeting	Co-Chairing / Moderating the Meeting	✓	✓	✓	✓		Hosting province and Director of GTI Secretariat are expected to co-chair the meeting. International partners and member provinces will be invited to moderate different sessions of the meeting.
	Simultaneous Interpretation*		✓	✓			Simultaneous interpretation will not be provided. Members who need interpreters shall hire interpreters at their own costs.
Meeting Amenities	Badge & Nameplate	✓	✓			✓	If situation permits, hotel/meeting venue shall print badges and nameplates basing on the Participants List provided by the GTI Secretariat. If not, the Secretariat shall prepare these items. Hosting Province shall work with the venue to properly set nameplates up.

Banner & Background	✓	✓		✓	GTI Secretariat will design banners and backgrounds. Hosting Province shall print them out and work with the venue to properly set them up. (if the venue offers electronic displays, then there is no need to print out backgrounds). If the hosting province has trouble printing banners and backgrounds, the host shall contact the Secretariat immediately.
Flags	✓				National flags and UN flag shall be provided by the Secretariat.
Flagpoles (min.6)		✓		✓	Hosting Province shall check with the meeting venue to make sure all items needed are properly prepared by the venue. (If required items cannot be prepared by either the venue or the hosting province, hosting province shall inform the Secretariat immediately)
MICs (min.6)		✓		✓	
Projectors (qty.1)		✓		✓	
Internet		✓		✓	
Printer (qty.1)		✓		✓	

	Pens & Notepads (min. number of participants)		✓			✓	
Souvenir*	Souvenir*		✓				It is not required, but hosting province may choose to offer souvenirs if the budget allows.
Technical Tour	Technical Tour		✓				Hosting Province shall arrange one technical tour for all meeting participants.
Post-Meeting	Thank You Letter	✓					GTI Secretariat shall send out thank-you letters to hosting province and international partners, if necessary.
	Updates on Meeting Documents	✓	✓	✓	✓		LCC members that submitted drafts of project proposals shall revise their proposals after the meeting basing on project proposal template, guidelines and comments and submit the final version to the Secretariat at least one month before the LCC and the LSC Meeting
	Meeting Minutes	✓					GTI Secretariat will prepare the Meeting Minutes after the meeting for members' review and comments

	E-news	✓				GTI Secretariat shall publish e-news about the meeting on GTI website.
	Photos	✓				GTI Secretariat shall circulate photos of the LCC Meeting among members and partners.

### **7.3 Joint Session with CC**

Division of work for LCC joint sessions with CC is laid out in Table 10 below. All participants and relevant parties should use Table 10 as references to how to participate in joint sessions with CC.

**Table 10: Division of Work for Joint Sessions with CC**

Category	Items	GTI Secretariat	LCC Members	Note
Invitation	Invitation Letter to LCC Members	✓		GTI Secretariat shall prepare and send Invitation Letter to LCC members once the time and venue of the meeting is confirmed.
	Logistic Note	✓		GTI Secretariat will prepare Logistic Note.
	Registration Form	✓	✓	GTI Secretariat will send out Registration Forms and Logistic Note to all LCC members, recipients shall send back the completed Registrations Forms to the Secretariat in a timely manner.
	Visa Invitation Letter	✓	✓	Hosting country shall works with the GTI Secretariat to send out Visa Invitation Letters to LCC members and international partners, if needed
Joint Session Documents	Agenda	✓		GTI Secretariat will draft the meeting agenda before the CC Meeting and send it to all LCC members.
	Participants List	✓		GTI Secretariat will prepare Participants List basing on the Registration Form filled by LCC members.
	Presentation	✓	✓	Hosting province of previous year's LCC meeting is responsible for preparing LCC progress report and presentation materials for the joint session. The materials shall include but not limited to: LCC

				cooperation progress, outcome of LCC meetings, and hosting province's involvement in and efforts on regional cooperation
	Speeches	✓	✓	All LCC members shall each submit to the Secretariat before the meeting a speech which is expected to be delivered during the joint session.
	GTI Progress Reports	✓		GTI Secretariat will prepare GTI Progress Reports.
Travel & Accommodation	Flight/Train Ticket Booking	✓	✓	Round-trip tickets of two participants from the hosting province of previous year's LCC meeting will be booked by GTI Secretariat. All other participants of LCC are responsible for booking their own round-trip tickets.
	Travel Information Form	✓		GTI Secretariat shall prepare Travel Information Form basing on the Registration Form filled by LCC members for pick-up/send-off.
	Hotel Booking	✓	✓	GTI Secretariat will book hotel rooms for two participants from the hosting province of previous year's LCC meetin. Other participants are responsible for booking their own hotel rooms and covering their own accommodation cost. GTI Secretariat shall recommend appropriate hotels to participants.

Local Transportation	Pick-up/Send-off			Pick-up and send-off service will be provided by the hosting country.
	Vehicle Allocation			Hosting country will provide transportation from the hotel to meeting venue, if locations are different.
Seating Plan	Joint Session	✓		Seating plan for the Joint Session will be decided by GTI Secretariat
Post-Meeting	Thank You Letter	✓		GTI Secretariat shall send out thank-you letters to LCC members and international partners, if necessary.
	E-news	✓		GTI Secretariat shall publish e-news about the meeting on GTI website.
	Photos	✓		GTI Secretariat shall circulate photos among LCC members and partners.

## **Back Cover**

### **Greater Tumen Initiative**

The Greater Tumen Initiative (GTI) is an intergovernmental mechanism in Northeast Asia, supported by the United Nations Development Programme, with a membership of four countries: People's Republic of China, Mongolia, Republic of Korea and Russian Federation. Driven by the member countries, GTI is at the forefront of promoting regional economic cooperation and development, with a vision to build a great partnership for common prosperity between neighbours.

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