

Ulaanbaatar Declaration

The 10th Consultative Commission Meeting
of the Greater Tumen Initiative
24 March 2009, Ulaanbaatar, Mongolia

1. Introduction

The 10th Consultative Commission' (CC) meeting of the Greater Tumen Initiative (GTI) was successfully held on the 24th of March 2009 in Ulaanbaatar, Mongolia with the participation of high-level governmental delegations from the GTI member countries: People's Republic of China, Mongolia, the Republic of Korea, the Russian Federation (further referred to as "the participant governments") and UNDP. The participant governments and UNDP stressed the need for more active DPRK engagement in GTI activities.

All participant governments and UNDP expressed their satisfaction with the progress achieved since the 9th CC meeting, held in November 2007 in Vladivostok (Russia), and reaffirmed their commitments to strengthen this regional initiative. The participant governments actively exchanged their views in a cooperative atmosphere and agreed to further promote the GTI's role as a unique intergovernmental mechanism for economic cooperation in Northeast Asia contributing to social and economic prosperity and sustainable development in the region.

2. Following Up to the 9th CC meeting

(i) GTI Projects

The progress of the "GTI Projects" (approved at the 9th CC meeting for joint realization) was actively discussed by the participant governments. They recognized that the promotion of these projects has been effectively undertaken in the past period by the Tumen Secretariat with strong support from the GTI member countries and UNDP. The participant governments agreed on concrete steps for the continuing promotion and branding of these projects to attract more foreign investment. Furthermore, the Meeting identified some new projects for joint realization in the coming period. A strong partnership and a cooperative network between GTI governments, international organizations and the private sector were recognized as important conditions for the successful development of trans-border projects.

(ii) GTI institutional structures

The participant governments and UNDP considered the current status and agreed on the next steps for GTI institutional structures, created at the 9th CC meeting. They recalled these structures as “the Energy Board”, “the Tourism Board” and “the Environmental Board”.

They stressed the importance of these structures and reconfirmed their commitment to strengthen economic cooperation in key sectors of the economy. For the purposes of technical procedural facilitation of regional trade among the GTI countries, the participants expressed their interest in the establishment of the Trade Facilitation Committee and asked the Secretariat to prepare its Terms of Reference.

(iii) The Agreement on the Understanding of the GTI Common Fund

The participant governments reinforced their commitment to the full ownership of the GTI program and requested further support from UNDP and agreed that the signing of the Agreement on the Understanding of the GTI should be finalized as soon as possible in accordance with their domestic procedures and to transfer payments to the GTI Common Fund in a timely manner. The UNDP will continue to provide active support to the GTI in close cooperation with the member governments, the Chairperson of the Commission and the Tumen Secretariat. The participant governments shared the understanding that the Agreement on the Understanding of the GTI is a supplementary instrument to the 1995 “Agreement on the Establishment of the Consultative Commission for the Development of Tumen River Economic Development Area and Northeast Asia”- for the effective implementation of this Agreement.*

3. Strengthening Regional Cooperation in Northeast Asia

(i) Strengthening the regional mechanism

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.

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

The participant governments and UNDP agreed to promote “fast-track projects” to facilitate

the regional economic cooperation.

(ii) Promoting cooperation in the transport sector

All participant governments and UNDP acknowledged that a convenient and developed transportation system is a very important prerequisite to the economic development and integration. To satisfy this precondition the member countries agreed to pay special attention to the creation of a GTI cross-border land-sea transportation route.

A new institutional structure, the GTI Transport Board, was established at the 10th CC meeting with the purpose of supporting the economic cooperation among GTI countries through proper transport infrastructure and logistical networks. The participants approved the Terms of Reference and agreed that the first Transport Board meeting should take place in the 2nd half of 2009. On this occasion, the participant governments agreed to hold more concrete discussions at the GTI Transport Board meetings regarding the transport issues of common interest, including GTI projects in transport sector.

(iii) The Chairperson of the Consultative Commission

In order to promote the GTI and ensure close intergovernmental cooperation in periods between meetings of the CC, the participant governments agreed that the Chairperson of the Consultative Commission should be elected on a rotation basis. Mr. Yi Xiaozhun, Vice Minister of Commerce, China was elected at the 10th CC meeting as the Chairperson of the Commission to serve in this position until the next CC meeting.

4. Promoting Private – Public Partnership in GTI region

The Joint session with the Business Advisory Council (BAC), organized for the first time in the framework of the 10th CC meeting with support of UN Office of Partnerships, laid a solid foundation for strengthening public –private dialogue in Northeast Asia. At this session more than a hundred governmental and business representatives discussed the investment climate in the region, in particular the issues of customs and trans-border shipments. They also agreed to cooperate to reduce the barriers to investing in GTI countries and to undertake other measures to make the region more attractive for investment.

5. Administrative & Budget

The participant governments approved the Budget and Work plan for 2009. They agreed to proceed with their payments to the Common Fund at their earliest convenience and in accordance with the agreed shares in order to sustain the operation of the GTI mechanisms

and to ensure further progress of GTI activities. They requested for continued UNDP support applying UNDP rules and procedures.

6. The Way Forward

The participant governments and UNDP expressed their appreciation to the Mongolian Government for providing excellent arrangements as the host of the 10th CC meeting, and to the Tumen Secretariat for its industrious work. It was proposed by China to host the 11th Consultative Commission' meeting in China in 2010, and was subsequently agreed upon by the member countries.

**Note: In this regard ROK was of the view that the legal nature of the Agreement on GTI is considered as MOU in ROK.*