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Energy Cooperative Activities in NEA under the Greater Tumen Initiative (GTI)

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GTI's Background



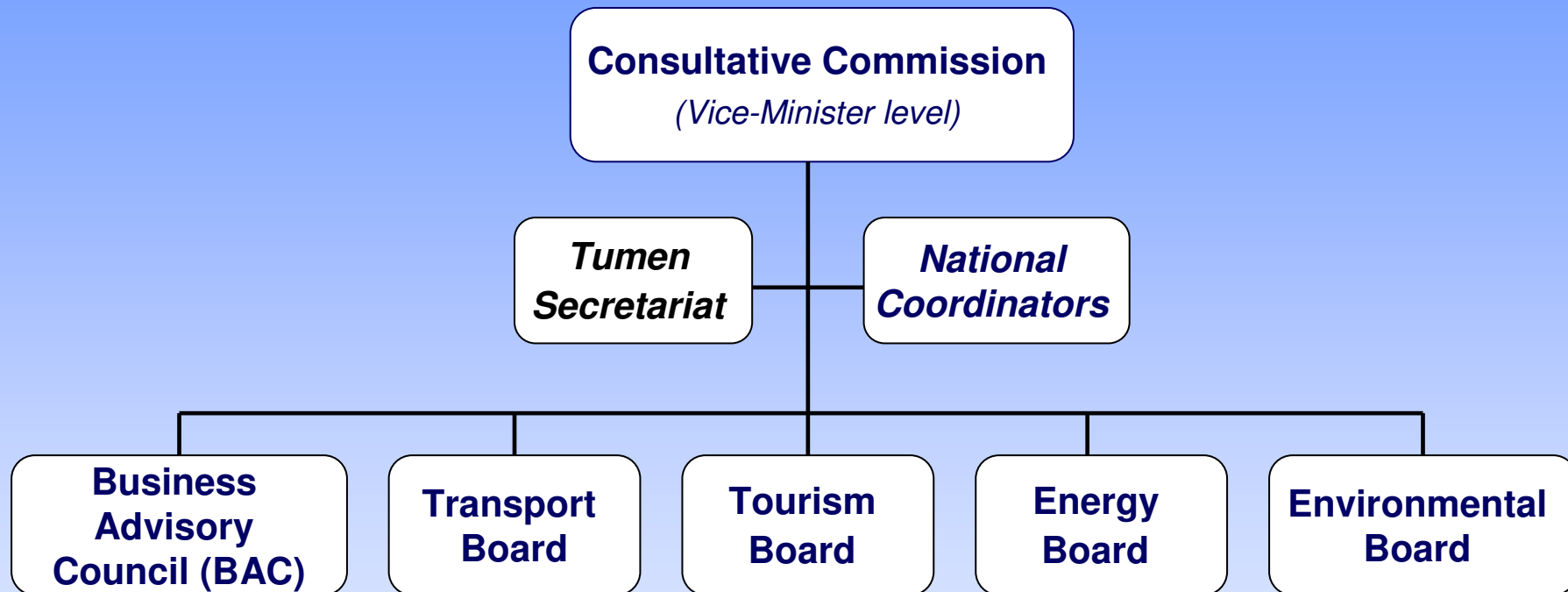
- The **Greater Tumen Initiative (GTI)**, originally known as the **Tumen River Area Development Programme (TRADP)**, is an intergovernmental cooperation mechanism in North-East Asia supported by *United Nations Development Programme (UNDP)*
- TRADP was initiated by UNDP in 1991 with a Preparatory Phase followed by signing the *Intergovernmental Agreement* in 1995
- In 2005 member countries agreed to extend the *Intergovernmental Agreement* for next 10 years; expand *geographical coverage*; identify *five priority sectors* for cooperation; take *full ownership* of the GTI through increased contribution of financial and human resources (as per *Changchun Agreement*)
- Main purpose of the initiative is to strengthen regional solidarity and cooperation for economic growth and sustainable development for the peoples in NEA and the Greater Tumen Region

GTI's Scope and Priority Sectors



- China's North-Eastern provinces: Liaoning, Jilin, Heilongjiang and Inner Mongolia
- Rajin-Sonbong Free Economic & Trade Zone (RaSon) of DPRK
- Eastern ports of Republic of Korea
- Eastern provinces (aimags) of Mongolia: Dornod, Khentii and Sukhbataar
- Primorsky Territory of the Russian Federation

GTI's Institutional Structure



- **8th CC meeting** (Changchun, Sept., 2005): BAC, *Strategic Action Plan 2006-2015*
- **9th CC meeting** (Vladivostok, Nov., 2007): Tourism, Environment and Energy Boards
- **10th CC meeting** (Ulaanbaatar, March, 2009): GTI Transport Board

GTI's Mandate for Energy Cooperation in NEA: 8th CC Meeting

- In the *GTI Strategic Action Plan (SAP)* for 2006-2015 **Strategic Objective** in the energy sector was identified as follows

Establish an institutional framework for consultations and policy support at the level of the member governments. This framework should provide an opportunity for a full exchange of information among member governments and the private sector and lay the basis for reducing or removing non-physical barriers to energy trade in the Greater Tumen Region (GTR)

- The **Strategic Actions** in the energy sector for 2006-2015 are
 - Energy policy coordination and co-operation
 - Capacity building
 - Reduction of non-physical barriers
 - Partnership building

GTI's Mandate for Energy Cooperation in NEA: *9th and 10th CC Meetings*

➤ *9th CC meeting* (Vladivostok, Nov., 2007)

- The participants agreed to establish the Energy Board, which will contribute to the improvement of energy security in the Greater Tumen Region (GTR) through regional energy cooperation (as per *Vladivostok Declaration*).
- ***Terms of References (TOR) on the Establishment for the GTI Energy Board*** were adopted

➤ *10th CC meeting* (Ulaanbaatar, March, 2009)

- The participants agreed on the next steps for GTI institutional structures, created at the 9th CC meeting...stressed the importance of these structures and reconfirmed their commitment to strengthen economic cooperation in key sectors of the economy (as per *Ulaanbaatar Declaration*).
- The composition of the ***GTI Energy Expert Council*** was approved

GTI Energy Board and Energy Expert Council

- **Purpose:** contribute to the improvement of energy security in the Greater Tumen Region (GTR) through regional energy cooperation and provide a solid foundation for better overall energy planning in the region during 2006-2015
- **Objectives:** reviewing proposals and making recommendations to GTI Consultative Commission on the following
 - promote the earliest introduction of new energy resources for the GTR
 - assist development and utilization of alternative energy sources (solar, wind, etc.)
 - help the solution of energy efficient consumption and energy saving problems
 - lay the ground for reducing or removing non-physical barriers to energy trade
 - help accelerating the development of energy-related infrastructure
 - provide options of energy supply for the existing and new industrial zones
 - help the earliest introduction of multilateral energy cooperation for GTI areas
- **Composition:** a senior and two other governmental officials from each GTI country
- **Energy Expert Council** (of twelve internationally recognized specialists) to offer a professional advice to the GTI Energy Board

GTI Energy Activities: Background

- In 2001, at the **5th CC meeting** (Hong Kong) GTI member countries raised the energy issues to the list of top priorities for promoting regional cooperation
- In 2002, at the meeting of the **Tumen Programme Working Group on Energy** three key areas for regional energy cooperation were identified
 - policy formulation for energy cooperation
 - establishment of an institutional framework for energy cooperation
 - reduction or removal of non-physical barriers to regional projects in the region
- In 2005, two-component project **Baseline Study and Capacity Building for Energy Cooperation in NEA** was launched
 - the final version of the study report was prepared in October 2007 (by KEEI)
 - the training program for DPRK in May-June 2006 in Beijing, China and in July 2006 in Pyongyang, DPRK (by Renmin University and ERI, China)
 - the training program for Mongolia in March 2008 in Seoul, ROK and April 2008 in Ulaanbaatar, Mongolia (by KEEI)

GTI Energy Activities: Current Status

- At the 9th CC Meeting, all types of the GTI energy activities were put into a framework project titled **Capacity Building on GTI Energy at regional level** with three sub-projects as components
 - 1. Capacity Building – Training Programs for the GTI countries**
 - two training programs were implemented for DPRK and Mongolia
 - next training programme (3rd) is planned by the end of this year
 - 2. Capacity Building – Creation of GTI Energy Board**
 - the GTI Energy Board and Energy Expert Council were established and composed
 - The Inaugural meeting of the GTI Energy Board will be held in September 16, 2009 in Ulaanbaatar, Mongolia
 - 3. Reduction of Non-Physical Barriers to Energy Cooperation in NEA**
 - Study project composed of two parts such as policy recommendation
 - Terms of References are planned to be prepared

Prospects for the Energy Activities under the GTI

➤ ***Energy Policy Coordination and Co-operation***

- developing the GTI Energy Board as effective regional energy cooperative mechanism
- identification and further promotion of new and ongoing GTI energy cooperative activities

➤ ***Capacity Building***

- further assistance to GTI member countries in human capacity building through education and training programmes, joint studies and workshops

➤ ***Reduction of Non-physical Barriers***

- support of the transparency of the institutional environment in the GTI member countries

➤ ***Partnership Building***

- creation of an effective cooperative network among energy companies, think-tanks, financial institutions and other relevant organizations
- establishment and promotion of a region-wide database on energy-related information

Inaugural Meeting of the GTI Energy Board

- September 16, 2009, Ulaanbaatar, Mongolia
- GTI Energy Action Plan for 2010-2012 to be adopted
 - ongoing framework project to be discussed **Capacity Building on GTI Energy at regional level**
 - A number of new GTI Energy Activities to be discussed and approved
 - ??? Promotion of the Energy Investment Projects in GTR*
 - ??? NEA Energy Database*
 - ??? Energy Forum for Northeast Asia*



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Thank you!
Gamsa'hamnida!

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