

**MEMORANDUM OF UNDERSTANDING  
ON THE ESTABLISHMENT AND OPERATION OF  
THE NORTH EAST ASIA BUSINESS ASSOCIATION**

between

**China Council for the Promotion of International Trade**

and

**Mongolian National Chamber of Commerce and Industry**

and

**Korea Chamber of Commerce and Industry**

and

**Russian Union of Industrialists and Entrepreneurs**

This Memorandum of Understanding (hereinafter referred to as “MoU”) on the Establishment and Operation of the North East Asia Business Association (hereinafter referred to as “Association”) is made on 22 August 2019 by and between

China Council for the Promotion of International Trade;  
Mongolian National Chamber of Commerce and Industry;  
Korea Chamber of Commerce and Industry; and  
Russian Union of Industrialists and Entrepreneurs.

(hereinafter collectively referred to as “Parties”, and individually as a “Party”).

For active participation in cooperation activities, information sharing and policy dialogue with governments under the Greater Tumen Initiative (hereinafter referred to as “GTI”) framework and in consideration of the foregoing, the Parties have reached a common understanding as follows:

**Article 1. Objectives**

The Parties will construct a flexible long-term cooperative mechanism, which will be carried out on the basis of reciprocity and mutual benefit, with the following core objectives:

1. To contribute to economic development in North East Asia including the Greater Tumen Region (hereinafter referred to as “NEA”);
2. To improve the business environment in NEA by addressing bottlenecks that businesses including SMEs face in cooperation with NEA countries, relevant authorities and organisations, etc.;
3. To expand communication channels among the Parties, and between the Parties and NEA countries;
4. To identify mutual investment opportunities for businesses and expand engagement of businesses, particularly in jointly conducted and cross-border projects in NEA;
5. To facilitate development and implementation of cooperation projects in which the Parties are involved and find ways of effective resource mobilization; and
6. To enhance awareness of the Association and the Parties on cooperation opportunities and prospects by active participation in cooperation activities, information sharing and policy dialogue with governments under the GTI framework.

**Article 2. Institutional Arrangement of the Association**

1. The Business organizations which are the Founding Members of the Association and the Parties to the present agreement represent and act in the interests of business community of their respective GTI



member country. The Association is an affiliate body of GTI.

2. Each Party appoints a senior-level official (Vice President, Vice Chair, or equivalent level official of the Party) as the representative of each Party.
3. The Parties can designate working-level officials for the performance of detailed activities of the Association and to whom the Parties' authorities can be delegated.
4. The chairperson of the Association will be the representative from the Party of the same country as that of the GTI Consultative Commission Meeting chairperson on a rotational basis for one year. Cases of exception to the rotation shall be approved by consensus among the Parties.
5. The chairperson of the Association, in cooperation with the GTI Secretariat, will host the Annual Meeting with participation of the Parties' representatives and Working-level Meetings, and arrange other related activities.
6. The Association welcomes any business organisation including of a non GTI member country. Any business organisation that wishes to join the Association may join as a full member provided that consensus the Parties and the other full members are reached.
7. Any business organisation, business entity, business operator, etc. that wishes to join the Association may join as an associate member without the right to vote in taking decisions under such conditions as
  - 1) approval of the respective Party representing the country in which such businesses are domiciled;
  - 2) consensus of the Parties and the full members.
8. The Association's meetings may invite government officials, non-member business organisations, business entities, business operators, etc. as observers.

### **Article 3. Meetings and Cooperative Activities of the Association**

1. Meetings of the Association will discretionarily convene to ensure the Association's operational efficiency and flexibility.

#### **(1) Annual Meeting**

The Association shall convene at least once per year (hereinafter referred to as "Annual Meeting") which the representatives attend. The Annual Meeting formulates the general direction of the Association;

#### **(2) Working-level Meeting**

Working-level Meetings can discretionarily convene if there is consensus by the Parties. Effective means of communication (e.g., in-person, e-mail, video conference, etc.) can be used for Working-level meetings. Working-level Meetings are convened to:

- determine the operations of the Association;
- arrange the Association's Annual Meetings and co-ordinate implementation of the follow-up measures;
- co-ordinate the Association's major activities and events;
- develop the common position of the private enterprises on improving the business environment in NEA, and deliver it to the GTI Secretariat and the governments of the NEA countries; and
- keep close contact with the GTI Secretariat and the governments of NEA countries to share relevant information

- (3) If necessary, the Association may make different types or levels of meetings through unanimous consensus from the Parties.

2. Cooperative activities of the Association include the following:



(1) Joint Projects

The Parties consent to conduct joint projects to reach the Association's objectives. Projects will be selected and developed so as to reflect the relative importance and the interests of Association members and NEA countries.

(2) Exchange of Information

- The Parties agree to exchange information on NEA and business-related topics in NEA; and,
- The Parties in cooperation with the GTI Secretariat may enable information exchange to a broad spectrum of organizations.

(3) Other types of cooperation that are accepted by the Parties are not specifically indicated above

3. Resolutions of the Association's meetings and progress of activities shall be reported to the Parties and relevant GTI bodies including the Consultative Commission and National Coordinators. If GTI's approval is necessary, the resolution and progress report must be submitted to the GTI Secretariat in advance for review.

4. The official working language for all the meetings and relevant activities shall be English.

#### **Article 4. Procedural Principles**

1. The chairperson of the Association in cooperation with GTI Secretariat, which coordinates and provides relevant administrative support for meetings of the Association, will facilitate communication and collaboration among the Parties. The procedures for the cooperative activities to be provided are:

- (a) Selection of activities/projects by consensus of the Parties from a list of proposals submitted by a Party or full member. The chairperson of the Association will consolidate individual proposals into one comprehensive list and facilitate the review and discussion among the Parties.
- (b) Each Party will be engaged in activities/projects according to the division of responsibilities, agreed in the project/activity plan. The relevant working group of each Party will contribute to a project/activity.

2. Details of procedures, such as the rule of meetings and cooperative activities, template of projects/activities, information exchange, etc., shall be elaborated at the Working-level Meeting in cooperation with the GTI Secretariat and adopted by the Parties through consensus.

3. The chairperson of the Association, in cooperation with the GTI Secretariat, will report on the implementation of the annual work plan and the outcome of the cooperative activities to relevant GTI meetings.

#### **Article 5. Principles of Financial Arrangements**

All the costs for holding and attending the Association's meetings and participating in activities/projects shall – if not otherwise agreed by the Parties - be arranged as follows:

- 1. The costs for hosting meetings (e.g., venue, official luncheon/dinner, etc.) shall be borne by the hosting Party;
- 2. The costs for attending the meetings or participating in activities (e.g., hotel, airfare, transportation, meals, etc.) shall be borne by each Party;

3. Cost sharing for projects/activities shall take into consideration of each Party's varying financial situation.

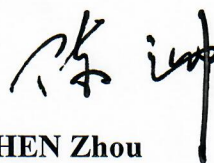
The Parties and the GTI Secretariat will seek opportunities for further resource mobilization for the smooth operation of the Association and implementation of projects/activities through seeking contributions from the GTI member governments.

#### **Article 6. Final Provisions**

This "MoU" will come into effect on the date of signature. The terms of this "MoU" will commence on the date hereof and will continue for a period of one (1) year. It will be automatically extended for a subsequent one-year period, unless either of the "Parties" notifies the other and the GTI Secretariat, in writing, at least three months prior to its expiration, of its intent to terminate the validity of this "MoU".

#### **For China Council for the Promotion of International Trade**

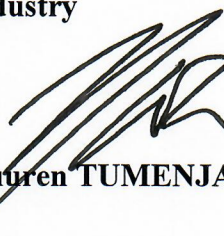
Signature:



**Mr. CHEN Zhou**  
**Vice Chairman**

#### **For Mongolian National Chamber of Commerce and Industry**

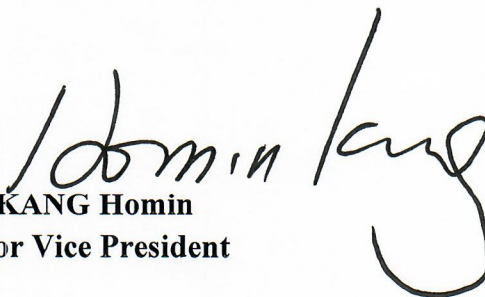
Signature:



**Mr. Duuren TUMENJARGAL**  
**CEO**

#### **For Korea Chamber of Commerce and Industry**

Signature:



**Mr. KANG Homin**  
**Senior Vice President**

#### **For Russian Union of Industrialists and Entrepreneurs**

Signature:



**Mr. Sergey KRASILNIKOV**  
**Vice President**