# JOINT DECLARATION ON TRANSPORTATION COOPERATION BETWEEN THE DEPARTMENT OF TRANSPORTATION OF THE UNITED STATES OF AMERICA AND THE MINISTRY OF TRANSPORT OF THE PEOPLE'S REPUBLIC OF CHINA

The Department of Transportation (DOT) of the United States of America and the Ministry of Transport (MOT) of the People's Republic of China,

Having participated in the fourth U.S.-China Strategic Economic Dialogue (SED IV), in Annapolis, Maryland, June 17-18, 2008 and,

Noting that increasing volumes of trade in goods between China and the United States are posing unprecedented challenges for the transportation systems of both countries;

Recognizing that transportation bottlenecks can slow commerce, raise transport costs, and thereby compromise the economic benefits of the U.S.-China bilateral trade relationship; and,

Acknowledging that the United States and China have a mutual interest in cooperating more closely to ensure the adequacy of transport infrastructure and enhance intermodal connectivity;

Have expressed their intent to cooperate as follows:

1. To establish a U.S.-China Transportation Forum (TF) covering all modes of transportation. Specific areas of discussion under the TF may include, but not be limited to the following critical areas:

   - Infrastructure Development and Innovative Finance: developing, maintaining and enhancing transportation infrastructures in both nations to enable trade growth and economic development; providing a range of perspectives on new policy structures, options, and tools in terms of finance and management to meet transportation needs and encourage greater participation by private enterprises; and,
   - Urban Congestion: identifying efficient and effective means to enable urban traffic, economic and trade growth while avoiding or alleviating traffic congestion in densely populated cities; and,
   - Transportation Technologies: using new and developing technologies to foster more efficient uses of transportation resources; and,
   - Supply Chain Logistics:, planning, implementing, and controlling trade movements and supply chain logistics as efficiently as possible; spanning all movement and modes of transport, including private sector logistics models.; and,
   - Disaster Assistance Coordination: developing and strengthening transportation infrastructure systems to enable rapid response to relief efforts,

studying best practices in relief coordination, including contingency planning and institutional capacity building; and,

- Sustainable Development: developing policies, measures and options to conserve resources and protect the environment under the framework of the Ten Year Energy and Environment Plan, with a view to achieving efficient, safe and sustainable development of transportation.

2. To launch the TF by undertaking a joint study/survey on "Trade Flows and Infrastructure Development" between the United States and China, with a 10-year outlook.

3. To develop and submit a roadmap at SED V, which identifies the most promising areas for cooperation, with a timeline and milestones for future progress.

Done at Annapolis, Maryland, in duplicate, this 17th day of June 2008 in the English and Chinese languages.

| For the Department of Transportation of The United States of America | For the Ministry of Transport of The People's Republic of China |
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| Thomas J. Barrett<br>Deputy Secretary | Weng Mengyong<br>Vice Minister |

## SED IV: TENTATIVE AREAS OF DISCUSSION FOR THE U.S.-CHINA TRANSPORTATON FORUM

The six subject areas are predicated to spur dialogues that will assist each country's efforts to identify, and where feasible coordinate, transportation management, technologies and resources as a foundation for sustainable economic growth and improved bilateral trade.

| INITIATIVE | DESCRIPTION | OBJECTIVES |
|---|---|---|
| INFRASTRUCTURE DEVELOPMENT AND INNOVATIVE FINANCE | • Developing, maintaining and enhancing each nation's transportation infrastructure to enable trade growth and economic development.<br>• Providing a range of perspectives on new policy structures, options, and tools to finance and manage transportation needs and encourage greater participation by private enterprises. | To create ongoing substantive communications addressing common challenges and sharing best practices involving infrastructure development such as road, port and inland waterway management. To develop and submit a roadmap at SED V, identifying the most promising innovative financing techniques and areas of cooperation, with a timeline and milestones for future progress. . |
| URBAN CONGESTION | • Identifying means to enable urban traffic, economic and trade growth while avoiding or alleviating traffic congestion in densely populated cities. | To create ongoing substantive communications discussing common challenges and multi-tiered solutions in reducing urban congestion. To develop and submit a roadmap at SED V, identifying the most promising areas of cooperation, with a timeline and milestones for future progress. |
| TRANSPORTATION TECHNOLOGIES | • Developing technologies to foster more efficient uses of transportation resources. | To create ongoing substantive communications addressing common challenges involving technical innovations including Next Generation Air Transportation Systems, positive train control, and real-time traffic advisories. To develop and submit a roadmap at SED V, identifying the most |

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| | | promising areas of cooperation, with a timeline and milestones for future progress. |
| SUPPLY CHAIN LOGISTICS | • Planning, implementing, and controlling trade movements as efficiently as possible. Spanning all movement and modes of transport, including private sector logistics models. | Using SED IV as a forum to discuss new supply chain logistical technologies i.e. GNSS applications. Discussing methods of introducing or enhancing integrated, competitive, and efficient, 'point to point' approaches to freight movement. Develop and submit a roadmap at SED V, identifying the most promising areas of cooperation, with a timeline and milestones for future progress. |
| DISASTER ASSISTANCE COORDINATION | • Developing and strengthening transportation infrastructure systems to enable rapid response to disaster relief.<br><br>• Study best practices in transportation disaster relief coordination, including contingency planning and institutional capacity building. | To create ongoing substantive communications addressing common challenges and sharing best practices involving transportation related disaster planning. To develop and submit a roadmap at SED V, identifying the most promising areas of cooperation, with a timeline and milestones for future progress.. |
| SUSTAINABLE DEVELOPMENT | • Coordinating dialogues and communication to develop policies, measures and options to conserve resources and protect the environment, under the framework of the Ten Year Energy and Environment Plan. | To effectively organize sustainable transportation related activities through the Ten Year Energy and Environment Plan, with a view to achieving efficient, safe and sustainable development of transportation. |

## STATEMENT OF PROPOSAL FOR LAUNCH PROJECT UNDER THE TRANSPORTATION FORUM (TF)

Transportation Forum: Establish a transportation forum between the United States and China covering all modes of transportation called the Transportation Forum (TF). Specific areas of discussion under the TF will include: infrastructure development and innovative finance, including participation by private enterprises; urban congestion; technology in transportation; promotion of the efficient, safe and sustainable development of transportation; and facilitating rapid disaster response. The TF's first project will be a joint study/survey on "Trade Flows and Infrastructure Development" between the United States and China, with a 10-year outlook.

# UNITED STATES - CHINA:
# STUDY ON TRADE FLOWS AND INFRASTUCTURE DEVELOPMENT FOR THE NEXT TEN YEARS

## Outline

1. **Introduction**

    a. Statement of Major Issues

        1. Capacity
        2. Institutional Structure
        3. Financing

    b. Purpose of the Study

2. **System Capacity**

    a. Freight Demand

        1. Growth of Freight Shipments between the United States and China
        2. Origin and Destinations of Freight Flows
        3. Demand by Mode of Transport
        4. Forecast of Future Freight Flows

    b. Supply of Facilities

        1. Capacity of Ports, Navigation Channels, Railroads, Highways, and Airports
        2. Performance of Current Ports, Navigation Channels, Railroads, Highways, and Airports
        3. Forecast of Capacity Improvements

    c. Needed Infrastructure Improvements

        1. Expansion and Construction of Needed Ports, Navigation Channels, Railroads, Highways, and Airports
        2. Required Funding for Infrastructure Capacity Improvements
        3. Land Use Issues
        4. Airspace Utilization
        5. Harmonization Issues
        6. Increasing Capacity of Deep-Water Navigation Channels

    d. Efficiency Improvements

        1. Operational Improvements
        2. Congestion Charges
        3. Improvements to Procedures and Requirements

3. **Disaster Assistance Coordination**

   a. Developing and Strengthening Transportation Infrastructure Systems to Enable Rapid Response to Disaster Relief
   b. Study Best Practices in Transportation Disaster Relief Coordination, Including Contingency Planning and Institutional Capacity Building

4. **Institutional Structure**

   a. Roles of United States and China
   b. Role of Federal/Central Government
   c. Roles of States/Provinces
   d. Roles of Metropolitan Planning Organizations (MPOs) and Cities
   e. Roles of Port Authorities and Airport Authorities
   f. Roles of Private Shippers and Carriers
   g. Roles of Private Infrastructure Providers

5. **Financing Issues**

   a. Taxes
   b. User Charges
   c. Container Fees
   d. Who Pays User Charges or Fees
   e. Private Investment

6. **Getting Started**

   a. Organization for Study
   b. Financing of Study
   c. Schedule of Tasks