



GREATER MEKONG SUBREGION 24th Meeting of the SUBREGIONAL TRANSPORT FORUM

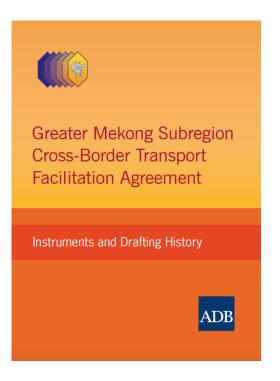
Session 3:

Report on the Progress of the CBTA "Early Harvest" Implementation and other Plans for the Field of Transport and Trade Facilitation





Overview of GMS CBTA





Objective: Allows agreed goods, passengers and vehicles to travel unimpeded through GMS countries.



Constraints: CBTA is working to fix:

- Inefficient or inadequate processes (transit docs, guarantees).
- Weak institutional arrangements.
- Complex coordination across sectors and institutions.





Overview of GMS CBTA – Benefits of CBTAs

- Complementary to regional (ASEAN) commitments.
- Means bilateral agreements unnecessary.
- Provides transit solutions for PRC and third countries.
- Can be expanded, ASEAN+.
- Better returns on infrastructure investments.
- Competitive advantage for subregional business and trade.





2 Soft Connectivity—CBTA "Early Harvest" Package

- Early Harvest is a limited and specific trial of CBTA principles.
- Allows for registered vehicles free movement along agreed corridors with approved documentation.
- No financial (Customs bond) guarantees required for the vehicles.
- Goods transported will continue to observe export/imports procedures at check points.





2 Soft Connectivity - Early Harvest Review, Initial Findings



Traffic and land-based trade is increasing rapidly: more than doubling at some of the busiest GMS border crossings in the five-year period to 2018:

- For example, at Bavet-Moc Bai between Cambodia and Vietnam, two-way goods trade more than doubled between 2010 and 2014, and doubled again in the four-year period to 2018.
- Trade at Poipet-Aranyaprathet between Cambodia and Vietnam doubled between 2014 and 2018.
- Both the number of vehicles and the value of trade have more than doubled between Thailand and Myanmar at Mae Sot-Myawady over the five-year period to 2018.





2 Soft Connectivity– Responses to COVID-19

- Enhance communication for better coordination.
- Trailer swap as temporary measures.
- Accelerate deployment and implementation of the **GMS Road Transport Permit.**
- Utilize electronic customs clearance.
- Implement **digital tracking** using technologies such as blockchain, and radio frequency identification (RFID).
- Strengthen border crossings including health screening, customs, immigration, quarantine and security.
- Investigate opportunities for **Single Stop Inspection**.





Conclusion

- Keep trade, investment, and tourism open to revitalize economies.
- Ensure health and well being of populations.
- The economic case for faster, cheaper, easier cross-border transport operations is strong.
- Strengthen regional coordination in responding to COVID-19.
- Infrastructure and common standards in border crossings, to include health screening and further improvements in customs, immigration, quarantine and security (CIQS).





CBTA EH MONITORING PROGRESS

Objective

Mekong Institute (MI) was engaged by ADB since May 2018 to monitor and report on 'Early Harvest' implementation (EHI) progress by:

- (i) gathering primary data and feedback from Permit/TAD holders in the five (05) GMS countries taking part in the 'Early Harvest' (and for Myanmar and Thailand the planned bilateral Initial Implementation of CBTA (IICBTA) MYA-T Permits/TADs);
- (ii) organizing national-level workshops to consolidate country-level feedback and regional workshops to identify and validate feedback and issues of common concern; and
- (iii) reporting on EHI and MYA-T IICBTA progress and results to ADB and the CBTA Joint Committee.





CBTA EH MONITORING PROGRESS

- Number of Permits Issued

COUNTRY	ISSUANCE DATE (the date sending official Letter to other GMS countries)	NUMBER OF COMPANIES	NUMBER OF PERMITS	PASSENGER VEHICLES	GOOD VEHICLES
Cambodia	01/29/2020	5	26	3	23
PRC	09/12/2019	20 (GX3, YN17)	181	71	110
Lao PDR	22/11/2019	4	22	0	22
Vietnam	26/09/2019	5	43	6	37
Thailand	08/01/2019 and 07/10/2019	20	472	20	452
Thailand (IICBTA)	To be updated	15	100	0	100
Myanmar (IICBTA)	30/06/2020	9	45	0	45





RECOMMENDATION

- Accelerate CBTA EH implementation through:
 - **1. Further issuance** of EH Permits/TADs (to meet the 500 quota/GMS country) while improve and simplify the procedure;
 - **2. Full recognition** of EH Permits and TADs among government agencies, especially need to enhance awareness of the officials who working at the border crossing points;
 - Greater clarity on operators' access rights to places listed in CBTA Protocol 1 (including seaports, inland ports and SEZs), and include some commonly used routes in the EH program
 - **4. Formal government announcements** if needed to confirm the EH is operational and that GMS countries welcome EH operators engaged in cross-border GMS transport;
 - Increased transparency and enhanced information sharing mechanism(s) in support of the CBTA EH (including transport regulations, border clearance and Customs Transit);
 - 6. Consideration by GMS countries of specific measures to facilitate cross-border movement (e.g. multiple entry visas, vehicle dimensions, insurance etc.)
- Accelerate MYA-THA IICBTA implementation with TA to Myanmar as needed.

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Thank you!