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The GMS Cross-Border Transport Agreement and The East West Corridor A Case Study



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Issues

- Inconsistent and difficult border crossing formalities and procedures
- Restrictive visa requirements
- Restrictions on entry of motor vehicles
- Different standards on vehicles and drivers across countries
- Transit traffic difficult/not allowed

History of the CBTA

- Identification of issues and review of existing international conventions (Jul-Dec 1996 under ADB SSTA)
- Sixth GMS Transport Forum mandated preparation of a Framework Agreement in lieu of near-term accession to international conventions (Dec 1996)
- Preparation of Framework Agreement (Jan-Sep 1998 under ADB RETA)
- Negotiation of Framework Agreement (Dec 1998-Nov 1999 under ADB RETA)
- Signing of the Framework Agreement by LAO, THA, and VIE (Nov 1999)
- Preparation of Annexes and Protocols (Nov 1999-Dec 2000 under ADB RETA)
- Accession by CAM, PRC, MYA (Nov 2001-Sep 2003)
- Negotiation of Annexes and Protocols (Jan 2003- 2006)
- Implementation of the CBTA at key border crossing points (2005- present)

The GMS Cross-Border Transport Agreement

- What is the CBTA?
- Multilateral agreement ratified by all six GMS countries
- Purpose is to eliminate non-physical barriers to cross-border transport in the GMS
- Includes references to existing international conventions

The GMS Cross-Border Transport Agreement

- Covers in one document all the relevant aspects of cross-border transport facilitation, which includes:
 - Facilitation of cross border movement of goods
 - Single-stop/single-window inspection
 - Harmonization/integration of systems
 - Exchange of traffic rights
 - Provision for transit traffic
 - Cross-border movement of persons

The GMS Cross-Border Transport Agreement

- Has 20 implementing annexes and protocols
- Applies to selected and mutually agreed routes and points of entry and exit in the six countries.

CROSS-BORDER TRANSPORT AGREEMENT GEOGRAPHIC COVERAGE



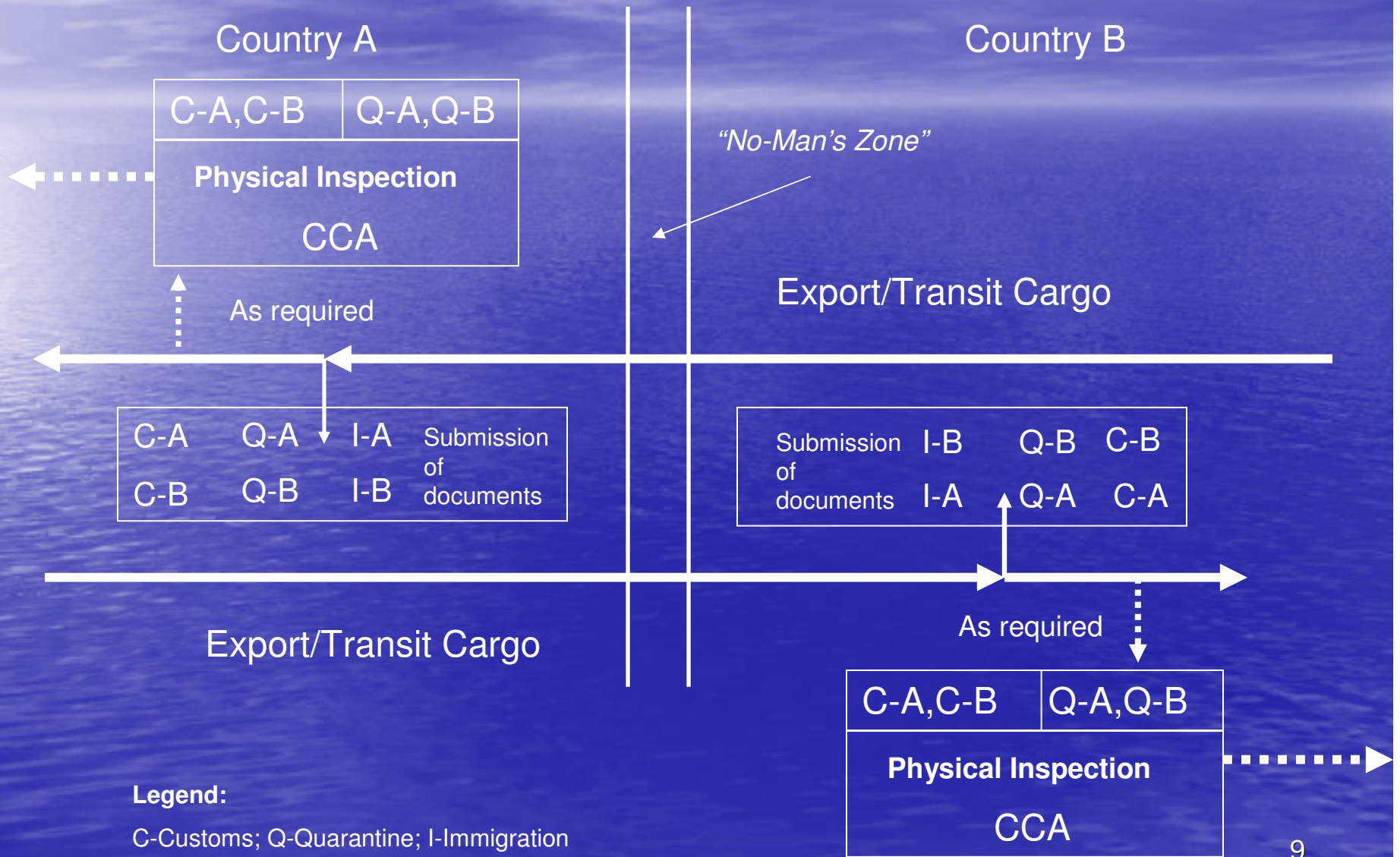
CBTA: Routes and Border Crossings

CBTA Contents

- Facilitation of Frontier Crossing Formalities
 - ✓ Single-window inspection
 - ✓ Single-stop inspection
 - ✓ Coordinated office hours
 - ✓ Harmonization and simplification of documents and procedures
 - ✓ Advance exchange of information and clearance
 - ✓ Priority order of border crossing clearance
 - ✓ Risk management
- *Inspired by the International Convention on Harmonization of Frontier Control of Goods and the Revised Kyoto Convention*



Single Window and Single Stop: Joint Customs and Quarantine Inspection in Common Control Area (CCA) and Clearance/Processing of Customs, Quarantine, and Immigration Documents at Country of Entry



CBTA Contents

– **Cross-border movement of goods**

- Freedom of transit
- Customs transit regime: inspired by TIR and other related international conventions
 - exempts goods in transit from inspection
 - guarantee mechanism for goods in transit, vehicles, and containers – transit and inland clearance customs regime
- SPS compliance
- Classification of dangerous and perishable goods.

CBTA Contents

- **Cross-border movement of people**
 - visas, quarantine, duty-free allowance
 - passenger services provision and associated carrier liability regime

CBTA Contents

– Requirements for admittance of road vehicles

- mutual recognition of vehicle plate and certificates and driving permits
- adoption of road traffic signs and signals
- compliance with 3rd party motor vehicle liability insurance requirements

– Exchange of commercial traffic rights

- licensing transport operators for cross-border operations
- price setting of transport services
- carrier liability regime

CBTA Contents

– **Infrastructure**

- compliance of CBTA routes to ASEAN Highway standards

– **Institutional arrangements**

- Joint Committee, National Transport Facilitation Committees, border level cooperation

– **Other provisions**

- nondiscriminatory treatment
- promotion of multimodal transport

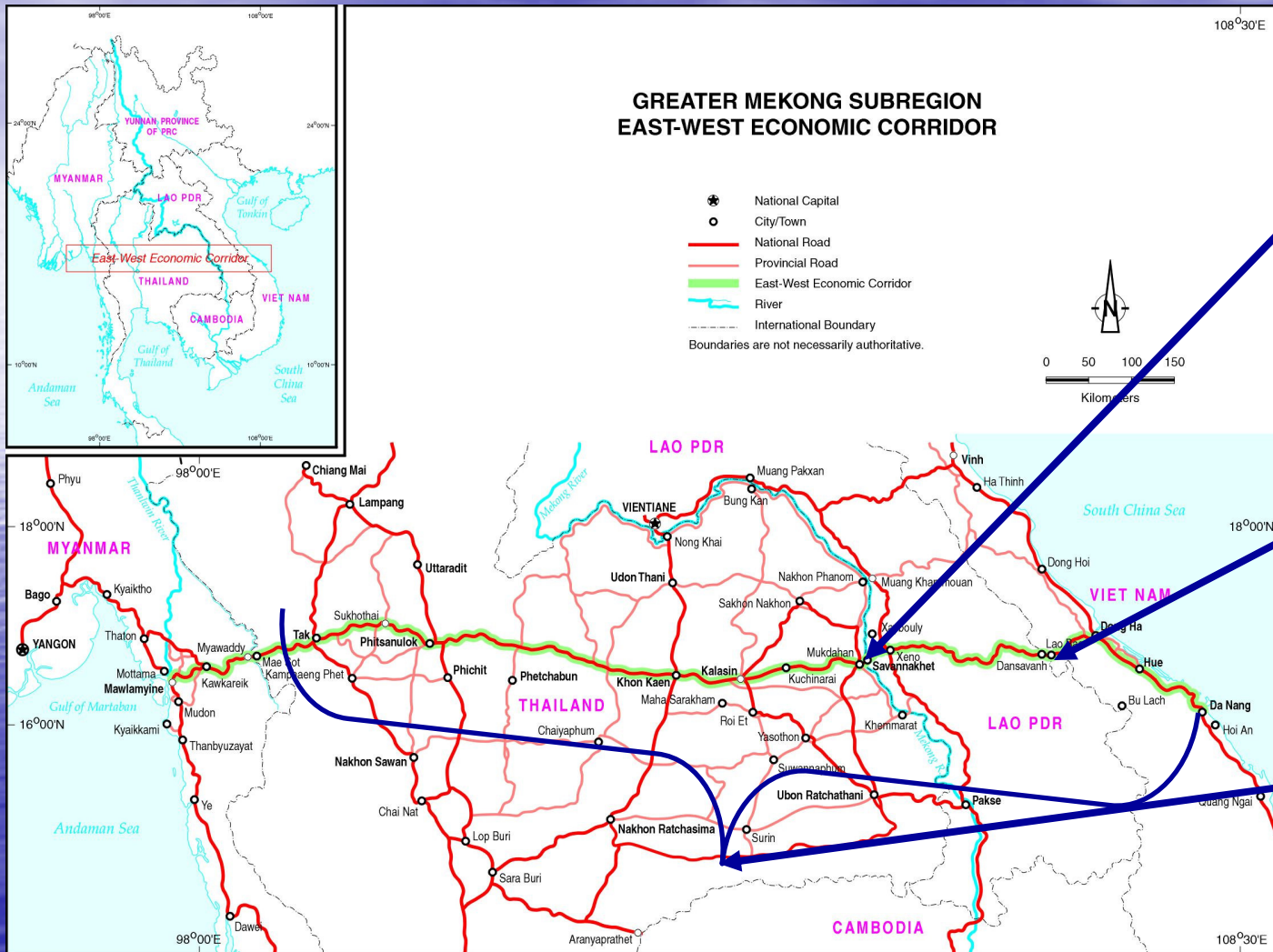
CBTA Joint Committee Action Plan

- **By end of 2007**, formulation of comprehensive and well-coordinated national action plans for the implementation of the Agreement and its annexes and protocols.
- **By the Third GMS Summit in 2008**, ratification or acceptance of all the annexes and protocols to the Agreement, and commencement of implementation of the national action plans.
- **By end of 2008**, commencement of the initial implementation of the Agreement in at least seven key border crossing points and their associated routes and corridors.

CBTA Joint Committee Action Plan (cont.)

- **By end of 2010**, commencement of full implementation of the Agreement and its annexes and protocols, along priority GMS corridors.
- **By end of 2010**, formulation of sustainable subregional institutional coordination arrangements to monitor and oversee the full implementation of the Agreement and its annexes and protocols.

Pilot implementation of the CBTA along EWEC



Single-window inspection

Single-stop inspection

Exchange of traffic rights



Key Challenges in CBTA Implementation

- Ratification of the annexes and protocols to the CBTA
- Capacity building at national and border levels
- Establishment of required border infrastructure
- Development of ICT/MIS for efficient border management
- Continue to strengthen goodwill and trust among GMS countries