

CROSS BORDER TRANSPORT FACILITATION BETWEEN VIETNAM AND NEIGHBOURING COUNTRIES

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BILATERAL ROAD TRANSPORT AGREEMENT (BRTA) BETWEEN VIET NAM AND CAMBODIA

- BRTA was signed by Viet Nam and Cambodia on 1 June 1998 (as part of the Phnom Penh-Ho Chi Minh City Road Improvement Project).
- The Protocol to Implement the Agreement was signed by the two Governments on 10 October 2005 (contents followed the GMS CBTA).



BILATERAL ROAD TRANSPORT AGREEMENT BETWEEN VIET NAM AND CAMBODIA

Key Features of the BRTA

- Issued license for transport operators, who meet the requirement for cross-border transport operations.
- Issued cross-border permits to commercial vehicles and public-service vehicles.



BILATERAL ROAD TRANSPORT AGREEMENT BETWEEN VIET NAM AND CAMBODIA

- Quota for border crossing commercial vehicles is 300 (at the beginning it was 40 then was increased to 150) and two sides proposed to increase to 500.
- No quota for public-service vehicles.
- Vehicles crossing at 7 border-pairs between Viet Nam and Cambodia.



GMS CROSS-BORDER TRANSPORT AGREEMENT

- Agreement between and among the Governments of the Kingdom of Cambodia, the People's Republic of China, the Lao People's Democratic Republic, the Union of Myanmar, the Kingdom of Thailand and the Socialist Republic of Viet Nam for Facilitation of Cross-border Transport of Goods and People.
- **Signed:** 26/11/1999



GMS CROSS-BORDER TRANSPORT AGREEMENT

- The aim of the Agreement is to remove non-physical barriers to facilitate the movement of goods and people.
- Agreement covers many areas including: transport, customs, immigration, quarantine, with 20 implementing annexes and protocols



GMS CROSS-BORDER TRANSPORT AGREEMENT

- Simplified/coordinated/harmonized procedures, papers and operations.
- Immigration
- Health (quarantine regulations/SPS)
- Transport: (driver's license, insurance, vehicle safety, specification, registration, road signs and signal)



GMS CROSS-BORDER TRANSPORT AGREEMENT

- Transport operations (transport permit, traffic rights)
- Infrastructure (technical condition)
- Customs (temporary import, export)
- Simplification of customs procedures



GMS CROSS-BORDER TRANSPORT AGREEMENT

Timeline:

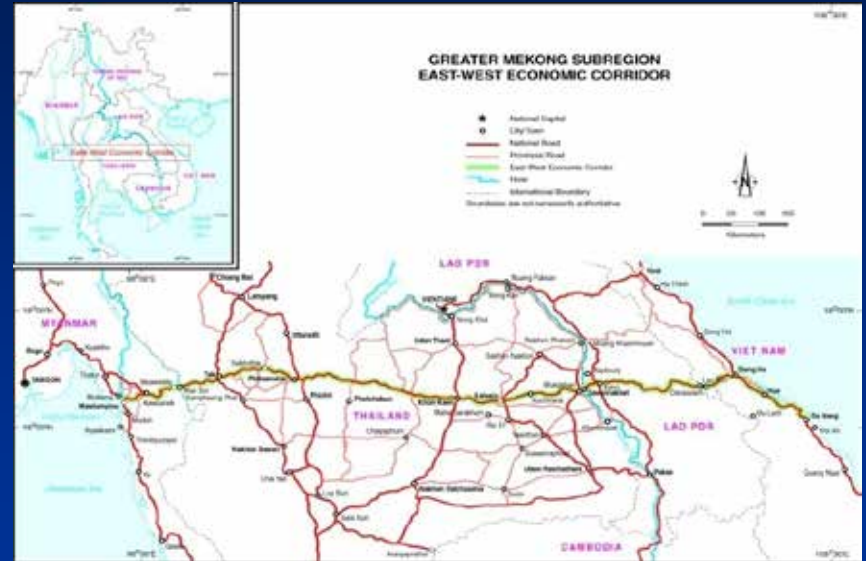
- Signing of CBTA by LAO, THA, VIE (Nov 1999)
- Accession by CAM, PRC, MYA (2001-2003)
- Negotiation, Finalization of Annexes and Protocols (2003-2008)
- Ratification of CBTA and Annexes and Protocols (various dates)
- Initial Implementation at LAO/VIE border (2005)
- Initial Implementation along East-West Economic Corridor (2007)



INITIAL IMPLEMENTATION OF CBTA ON EWEC BETWEEN AND AMONG VIET NAM, LAO AND THAILAND

Exchange of Traffic Rights

- 3 countries signed MOU for Initial Implementation of CBTA on EWEC in August 2007.
- Under CBTA each country has a right to issue 500 permits for their own vehicles.
- In EWEC Viet Nam- Lao- Thailand opened for goods transport in June 2009.
- Prepare to extend the routes from EWEC to Ha Noi and Hai Phong (Viet Nam) Bangkok and Leamchabang in (Thailand).
- Discussion on border guarantee procedure simplification.

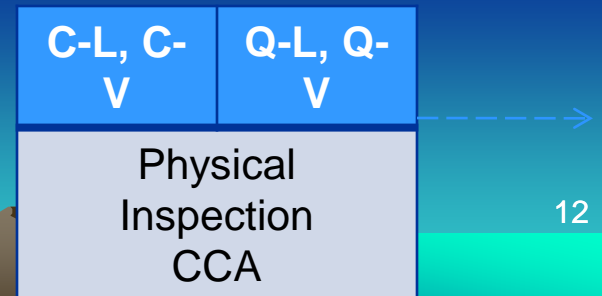


CROSS-BORDER TRANSPORT AGREEMENT BETWEEN AND AMONG GREATER MEKONG COUNTRIES

Joint Customs and Quarantine Inspection in CCA and Clearance/Processing of Customs, Quarantine, and Immigration Documents at Country of Entry (Lao Bao – Dansavanh)



Notes: (i) transit traffic I exempt from physical inspection, except for irregularities, in which case inspection is performed in the country of entry, (ii) people/passengers shall go through exit and entry immigration formalities, (iii) live animals will be inspected in the Country of Exit, and (iv) customs and quarantine officers of both countries shall jointly process/ clear documents at the country of entry



Issues and Challenges

- BRTA between CAM and VIE
 - Slow progress in early years
 - Until recently, Cambodian transport operators could not set up offices in Viet Nam
- Solution
 - Regular meetings/dialogues/interaction between the two sides (with ADB acting as honest broker)
 - Goodwill and trust have developed



Issues and Challenges

- CBTA
 - Ratification does not imply implementation
 - Even if all members signed and ratified, only a few are ready to implement
 - Implementation is limited on a corridor-wide basis
- Solution
 - Pilot-testing at selected border crossings and corridors to build confidence and identify issues
 - Continued dialogue facilitated by ADB



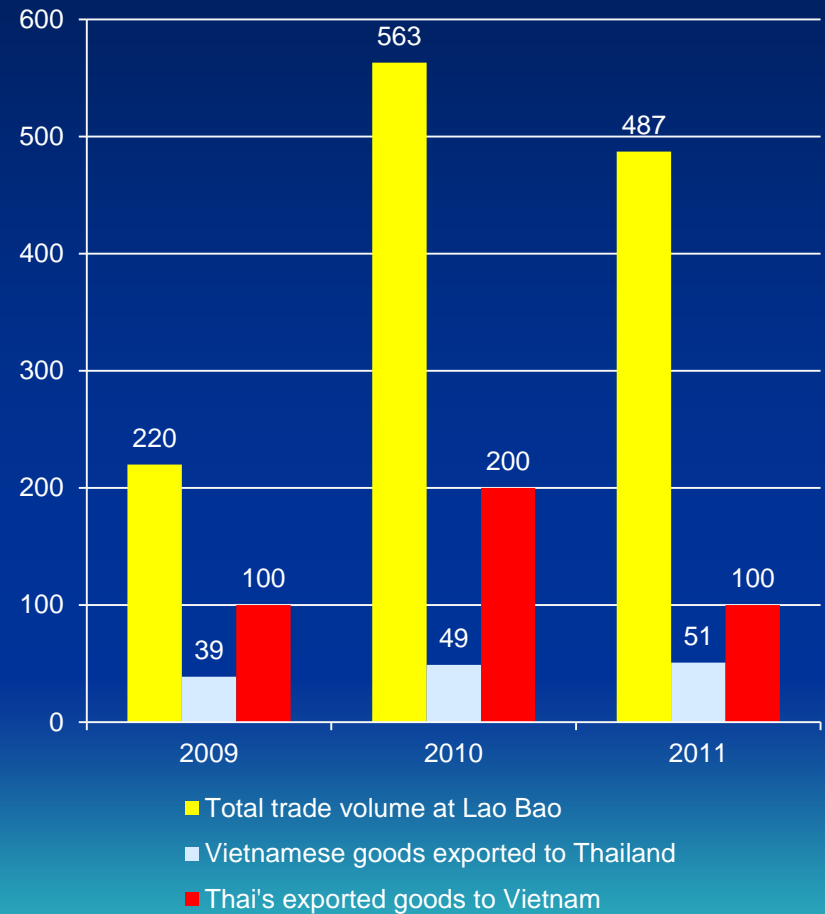
Benefits

- Transport Corridors together with the implementation of BRTA and CBTA and other things are steps toward transformation into Economic Corridors.
- Example in Southern Corridor:
 - Trade between Vietnam and Cambodia increased year on year: 2011 reached US\$2.88 Billion, increased more than 50% from 2010.
 - Tourism sector: The largest number of tourists in Cambodia were Vietnamese tourists, reaching more than 630.000 in 2011.



Benefits

- On EWEC:
 - Trade between Vietnam and Lao reached US\$700.000 M in 2011 increased 43% compared to 2010.
 - Travel time on EWEC was reduced from 10 hours in 2004 to 8 hours (NE Thailand to Central Viet Nam) in 2006.
 - Clearance time at Lao Bao (VN)-Dansavanh (Lao) border checkpoint was reduced from 1h 30 minutes in 2004 to 29 minutes for one truck in June 2005



Benefits

- Economic activities along the EWEC have developed very fast.
 - Many industrial parks and export processing zones emerged:
 - South Dong Ha Industrial Park (central Viet Nam)
 - Lao Bao Special Economic Zone (border town in Viet Nam)
 - Commercial and Industrial Park in Savan, SENO Special Economic Zone (Savannakhet, Lao PDR)



Lessons

- We should be pragmatic and patient:
 - BRTA Between VN and CAM started with 40 permits
 - Single-stop and single-window inspections between VN and Lao started with Step 1 in 2005; Now we are preparing to move to Step 4.
 - Implementation of BRTA as well as CBTA needs strong coordination and cooperation between agencies as well as countries.

Thank you
for your attention!

