



# THE 11th ECONOMIC CORRIDORS FORUM

THAILAND 2020

**Boosting Competitiveness, Connectivity, and Community in the GMS Economic Corridors  
through Focused and Integrated Spatial Development**

## **Session 6:**

### **Strengthening the Software Aspects of Connectivity along the Corridors**

#### **PART I**

**Early Harvest Implementation of the GMS Cross-border  
Transport Facilitation Agreement**

# Outline

- 1. Overview of GMS Cross-Border Trade Agreement (CBTA)**
- 2. Soft Connectivity – GMS CBTA “Early Harvest” Package**
- 3. Conclusion**

# 1 | Overview of GMS CBTA



Greater Mekong Subregion  
Cross-Border Transport  
Facilitation Agreement

Instruments and Drafting History

ADB



**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.

# 1 | 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**.



### 3 | 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).





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**Thank you!**