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Report on the Progress of the CBTA “Early Harvest” Implementation

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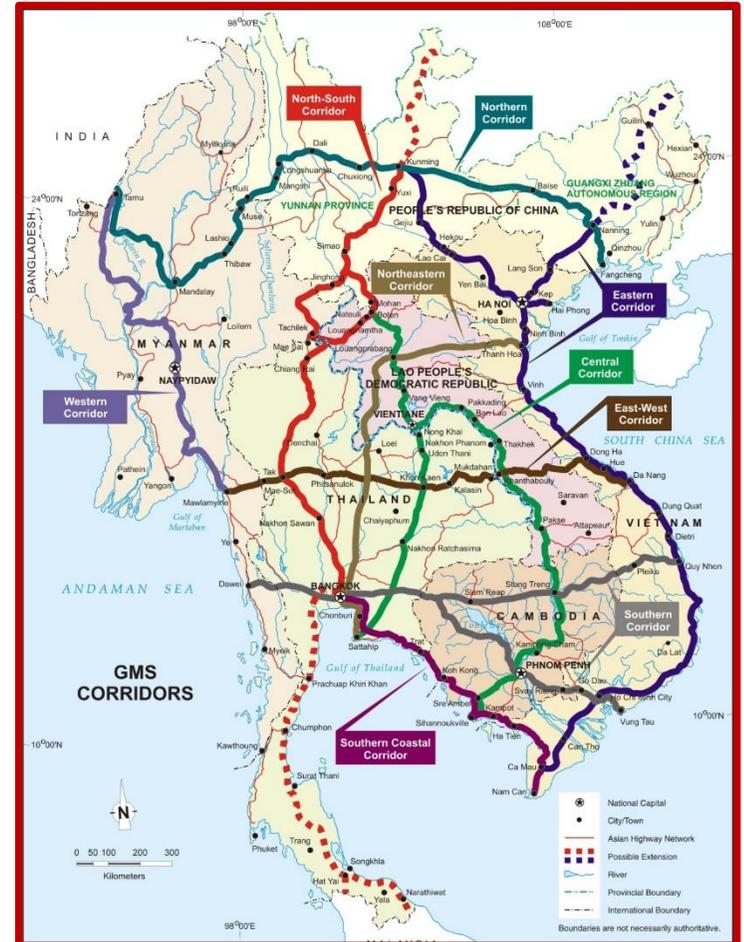
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1. Overview of Cross Border Transport Facilitation Agreement (CBTA)

The Agreement between and among Laos, Thailand, Viet Nam on the Facilitation of Cross-Border Transport of Goods and People, originally signed in Vientiane on 26 November 1999, amended in Yangon 2001, acceded to by Cambodia in 2001, China in 2002, and Myanmar in 2003, and amended in Phnom Penh on 30 April 2004, hereinafter referred to as “GMS –CBTA”.

Full members are:

1. China
2. Cambodia
3. Lao PDR
4. Myanmar
5. Thailand
6. Vietnam



Overview of CBTA

- **Multilateral agreement ratified by all six GMS countries**
- **Purpose is to eliminate non-physical barriers to cross-border transport in the GMS**
- **Deal with both, Transit Transport & Inter-state Transport**
- **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 Passengers**
- **Has 20 implementing annexes and protocols**

Objectives of CBTA

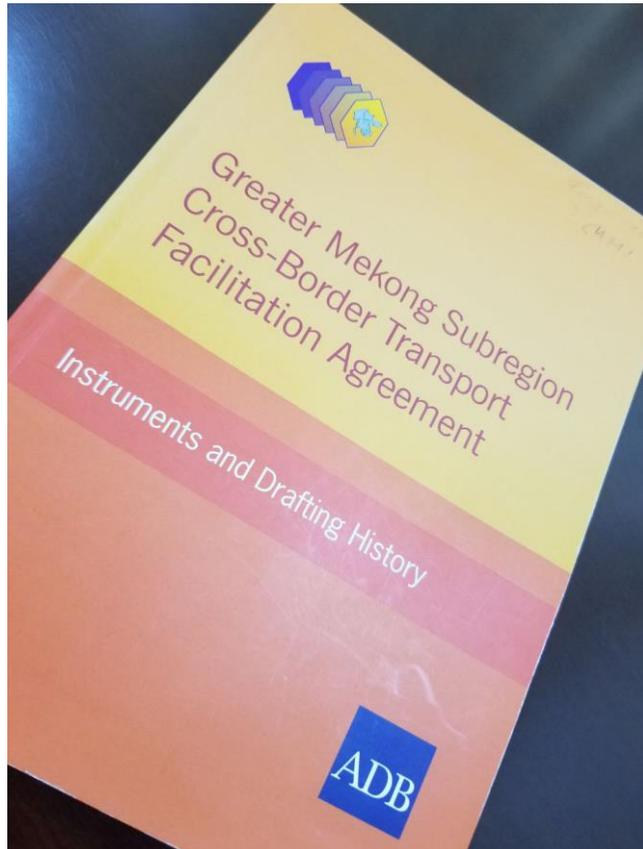
- **Facilitation of border crossing formalities (single window and single stop inspection, coordinating of hours of operation; and exchange of advance information and clearance)**
- **Facilitate cross-border movement of people (multi-entry visa, recognition of driver license)**
- **Facilitate cross-border movement of goods (Annexes, Protocols)**
- **Exchange of traffic rights (500 quotas for each contracting party)**
- **Admittance of Road Vehicles in Other Contracting Parties, regardless of left hand or right hand drive.**
- **Setting up Institutional Arrangements/ NTFC, NTTCC**

The GMS-CBTA includes

44 Articles, 17 Annexes and 3 Protocols.

List of 20 Annexes and Protocols

Annex/Protocol	List of annexes and protocols	Signing date
Annex 1	Carriage of Dangerous Goods	16 December 2004
Annex 2	Registration of Vehicles in International Traffic	30 April 2004
Annex 3	Carriage of Perishable Goods	5 July 2005
Annex 4	Facilitation of Frontier-Crossing Formalities	30 April 2004
Annex 5	Cross-Border Movement of People	5 July 2005
Annex 6	Transit and Inland Clearance Customs Regime	20 March 2007
Annex 7	Road Traffic Regulation and Signage	30 April 2004
Annex 8	Temporary Importation of Motor Vehicles	20 March 2007
Annex 9	Criteria for Licensing of Transport Operators for Cross-Border Transport Operations	16 December 2004
Annex 10	Conditions of Transport	5 July 2005
Annex 11	Road and Bridge Design and Construction Standards and Specifications	30 April 2004
Annex 12	Border Crossing and Transit Facilities and Services	30 April 2004
Annex 13a	Multimodal Carrier Liability Regime	30 April 2004
Annex 13b	Criteria for Licensing of Multimodal Transport Operators for Cross-Border Transport Operations	16 December 2004
Annex 14	Container Customs Regime	20 March 2007
Annex 15	Commodity Classifications System	30 April 2004
Annex 16	Criteria for Driving Licenses	16 December 2004
Protocol 1	Designation of Corridors, Routes, and Points of Entry and Exit (Border Crossings)	30 April 2004
Protocol 2	Charges Concerning Transit Traffic	5 July 2005
Protocol 3	Frequency and Capacity of Services and Issuance of Quotas and Permits	20 March 2007

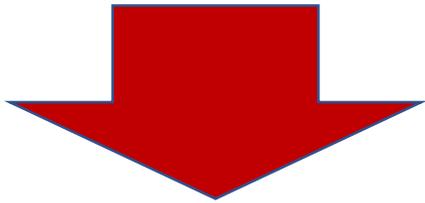


**Link to download full document
of GMS CBTA from ADB Website:**

**[https://www.adb.org/sites/default/files/
publication/29294/gms-cbta-
instruments-history.pdf](https://www.adb.org/sites/default/files/publication/29294/gms-cbta-instruments-history.pdf)**

2. Current status of CBTA

- CBTA just entered into force in 2015 after the last member, Myanmar ratified all Annexes and Protocols.
- However, some parts of the CBTA are outdated and need to be revised (Takes time to revise and ratify again...!!!!)

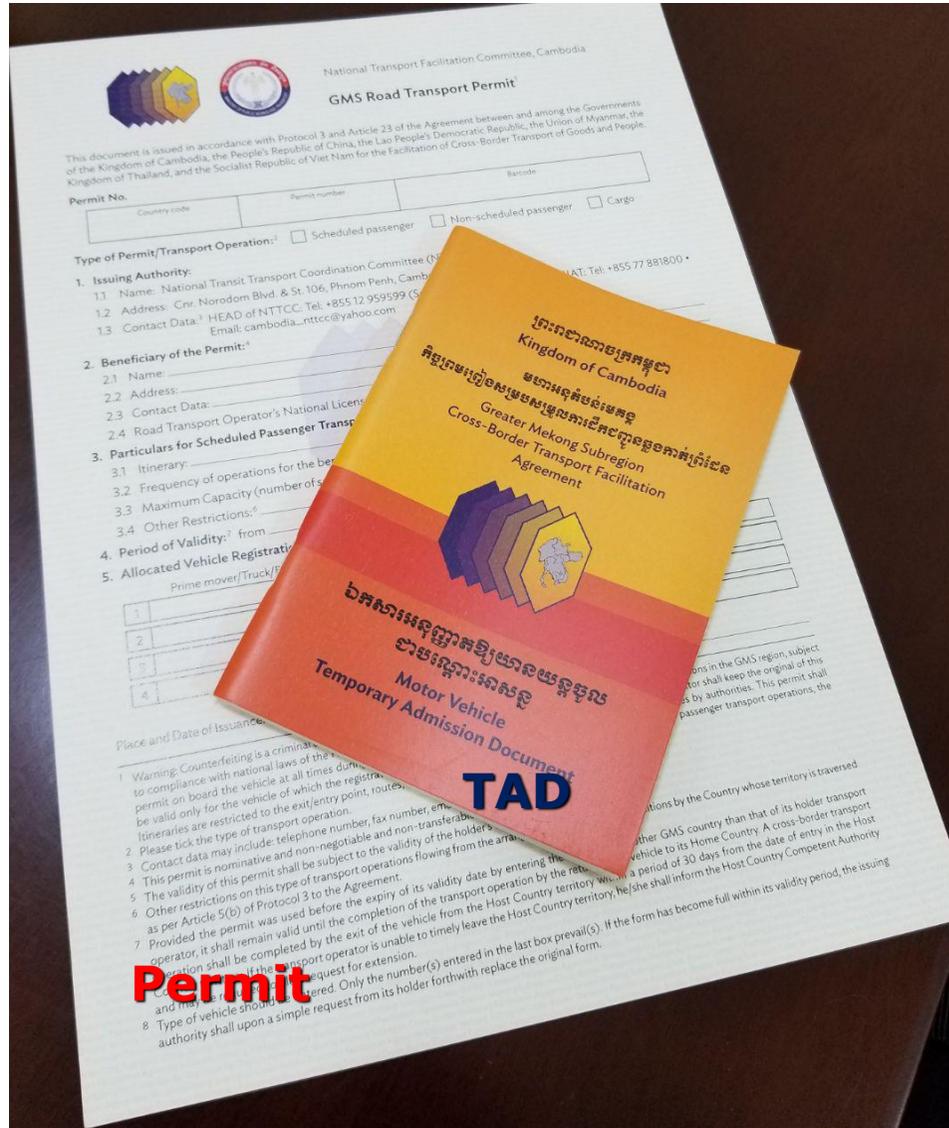


- The GMS Transport Ministers, as members of the 'Joint Committee', agreed in 2016 to launch the '**Early Harvest**' implementation of the CBTA in 2017, and to complete the CBTA revision process by 2019

What is the CBTA 'Early Harvest'?

- The 'Early Harvest' is based on MOU signed by the 6 GMS countries in 2017
- The MOU allows each GMS country to issue up to 500 GMS Road Transport Permits and Temporary Admission Documents (TADs) for goods and passenger vehicles
- Vehicles can travel on any of the routes and across any of the border crossings points as listed in CBTA Protocol 1
- Vehicles must carry with them the original Permit and TAD (like Vehicle passport) issued by the competent authorities in their Home country and can remain in any other participating GMS country for up to 30 days on each journey
- There is no limit to the number of cross-border journeys allowed
- Permitted vehicles can cross borders, without paying taxes and duties and without the need for a Customs bond or guarantee, However the goods carried must follow Customs Procedures

The Permit and TAD



Number of Registered vehicles as of today

Country	Number of Permit Holders Companies	Goods vehicle	Passengers vehicles	Total Permits
Cambodia	3	8	0	8
PRC - Guangxi	3	13	0	13
PRC - Yunnan	16	92	59	151
Lao PDR	0	0	0	0
Myanmar *	0	0	0	0
Thailand	23	470	21	491
Viet Nam	4	19	6	25
Total	49	602	86	688

Note:

- Myanmar to join EH operations only in 2020

- Map of Protocol 1 (Designated Routes and Border Crossing points) – Expansion Agreed and endorsed by Ministers during the 7th JCM in March 2019
- MOU to expand Protocol 1 signed by ad-referendum. Thailand and Myanmar Signed, and the rest will follow.



3. Report on the 7th JCM (The Meeting was held in 13 March 2019 in Siem Reap, Cambodia

With respect to the **Status of 'Early Harvest' Implementation** JCM recommends the following ways forward:

- To confirm that all GMS-5 (Cambodia, PRC, Lao PDR, Thailand and Vietnam) are in a position to receive 'Early Harvest' Permit and TAD-holding vehicles from other GMS countries with immediate effect, ensuring officials operating at border crossing points listed in CBTA Protocol 1 are instructed to allow the entry of vehicles;
- To ensure the GMS-5 countries have issued Permits and TADs to at least some eligible international transport operators as soon as possible; and
- To ensure the NTFC-SOM focal point in each GMS-5 country communicate to ADB its national Register of Permit-holding vehicles in the 2 formats agreed at earlier meetings, i.e. (i) the Excel Master List; and (ii) officially signed and stamped simplified version of the same list as soon as possible.

3. Report on the 7th JCM (Cont...)

With respect to the **Validity and Extension of the MoU on the EH** the JCM agreed the following ways forward:

- To extend the period of validity of the ‘Early Harvest’ MoU for a further 2 years until 31 May 2021
- To allow countries’ issuing authorities to extend the validity Permits and TADs already issued whilst the ‘Early Harvest’ MoU remains in force; and
- To encourage the issuance of additional Permits and TADs up to the 500-vehicle quota per country over the intervening period.

3. Report on the 7th JCM (Cont...)

With respect to the **Options for Facilitating Customs Transit** the JCM agreed the following way forward:

- To request the Sub-Committee on Customs to convene a meeting to discuss the technical aspects of Customs Transit (including the movement of goods from third countries entering the GMS and goods from the GMS destined for third countries) and provide their recommendations on possible measures to the NTFC SOM

3. Report on the 7th JCM (Cont...)

With respect to the **Myanmar IICBTAs and accession by Myanmar to the GMS-wide EH MoU** the JCM wishes to:

- **Reconfirm its decision to accord Myanmar a full 2-year grace period to implement IICBTAs with its GMS neighbors, starting with the Myanmar-Thailand IICBTA, from 1 June 2019, meaning that Myanmar would join the GMS-5 in implementing the ‘Early Harvest’ from 1 June 2021 only;**
- **Congratulate Myanmar and Thailand on their signature of the MYA-T IICBTA and look forward to the signature of further IICBTAs by Myanmar with other GMS countries; and**
- **Align the timetable for the phase out of IICBTAs with that of the CBTA ‘Early Harvest’ by extending the deadline for IICBTA phase out to 31 May 2021 or implementation of ‘CBTA 2.0’**

3. Report on the 7th JCM (Cont...)

With respect to the **Monitoring and Evaluation** the JCM wishes to:

- **Reaffirm the GMS countries' commitment to enhance monitoring and evaluation the GMS CBTA 'Early Harvest' implementation, through effective 'EH' monitoring (numbers of Permits issued and journeys made) alongside the annual collection and submission of TTF data at the border crossing points listed under Protocol 1 of the CBTA.**

3. Report on the 7th JCM (Cont...)

With respect to the Finalisation of CBTA Protocol 1 Expansion MOU:

The NTFC SOM discussed the draft MoU on the Opening of Additional Routes and Border Crossings Under Protocol 1 of the CBTA; and the Protocol 1 MoU Attachment (Revised List of Corridors, Routes and Border Crossings). The JCM wishes to:

- **Continue to implement the CBTA ‘Early Harvest’ based on the existing routes and corridors listed in Protocol 1 of the CBTA, pending finalisation and entry into force of the extension of the Protocol 1 route network;**
- **Agree to continue to discuss Protocol 1 expansion as a built-in agenda item for future JCM discussions to include the review of road conditions and border crossing facilities.**

4. Next Steps

- EH implementation monitoring shall be continued and full report be reported to the Joint Committee Retreat (JCR) scheduled in November 2019,
- Customs subcommittee to deliberate recommendation on interim customs transit arrangement for JCR for consideration,
- Myanmar to commence ICBTA negotiation with PRC and Lao PDR,
- Revise/Update the text of CBTA to CBTA 2.0



Thank you!