

Greater Mekong Subregion Cross-Border Transport Facilitation Agreement



LAO PEOPLE'S DEMOCRATIC REPUBLIC CBTA "EARLY HARVEST" IMPLEMENTATION GUIDE

What is the Greater Mekong Subregion Cross-Border Transport Facilitation Agreement?

- ▶ The 6 member countries of the Greater Mekong Subregion (i.e., Cambodia, China, Lao PDR, Myanmar, Thailand and Viet Nam) ratified the Cross-Border Transport Facilitation Agreement (CBTA) in 2015, however, some parts of the CBTA were outdated and needed to be revised.
- ▶ The GMS Transport Ministers, as members of the 'Joint Committee' responsible for managing the CBTA, agreed in 2016 to launch the 'Early Harvest' implementation of the CBTA as an interim measure in 2018, while the Agreement was updated.
- ▶ Although many Permits were issued, with the closure of international borders in 2020, implementation of the 'Early Harvest' had to be suspended.
- ▶ **The GMS Transport Ministers decided in December 2023 to re-launch the 'Early Harvest' starting 1 April 2024, for an initial period lasting until 31 December 2026.**
- ▶ <https://www.adb.org/sites/default/files/publication/29294/gms-cbta-instruments-history.pdf> has the full CBTA text.

What is the CBTA 'Early Harvest'?

- ▶ The 'Early Harvest' is based on a Memorandum of Understanding (MOU) signed by the 6 GMS countries. The full text of the MOU is available at www.greatermekong.org/ttf.
- ▶ 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 registered, owned and/or operated in that country.
- ▶ Vehicles can travel on any of the routes and across any of the border crossings listed in CBTA Protocol 1, the scope of which was further extended in 2023. For Lao PDR, movements in and out of the country will be limited initially to the Boten, Huayxay, Dansavanh and Savannakhet border crossings along national Routes 3, 9 and 13. Myanmar may join the 'Early Harvest' before 2027. Please refer to www.greatermekong.org/ttf for updated information in these regards.
- ▶ Vehicles must carry with them the original Permit and TAD issued by the competent authorities in their Home country (i.e., the country in which the vehicle is registered) and can remain in any other participating GMS country for up to 30 days on each journey.
- ▶ The TAD can be thought of as a vehicle 'passport' and must be stamped by the Customs department of each Host (i.e., the other GMS) country visited on entry and on exit, to ensure the 30-day time limit is observed.
- ▶ There is no limit to the number of cross-border journeys allowed.
- ▶ Specimen Permits and TADs are available at www.greatermekong.org/ttf.




- ▶ CBTA provisions for the transit transport of goods (with duty suspension under Customs control) is not included in the 'Early Harvest'. This means that although permitted vehicles can cross borders, without paying taxes and duties and without the need for a Customs bond or guarantee, the goods carried must follow current Customs procedures (i.e., standard import/export with payment of taxes and duties, duty drawback, or suspension of duties using national transit regimes or other systems agreed bilaterally or plurilaterally between countries where these exist).

How can international transport operators obtain GMS Road Transport Permits and TADs?

- ▶ In some GMS countries, the issuing authorities for Permits and TADs are the same. In others, they are different.
- ▶ In Lao PDR, GMS Road Transport Permits and TADs can be obtained from the

 Department of Transport
 Lanxang Avenue, Vientiane, Lao PDR
 Tel: +856 2145 2393
 Email: freightandlogisticslaos@gmail.com

- ▶ These authorities will keep a list of Permits and TADs issued. Each document has a unique reference number, providing GMS officials with a joint record of eligible vehicles.
- ▶ In order to obtain Permits and TADs, the vehicle operator must fulfil the conditions described in Articles 2, 3, 4, 5 and 6 of Annex 9 of the CBTA, i.e. the operator must be: a) a licensed cross-border transport operator in the Home country in which the Permit/TAD is issued, at least 51% owned and directed by citizens of this country; b) free from issuing country convictions or sanctions, with a clean legal record and no current and/or unresolved bankruptcy proceedings; c) professionally competent to operate (i.e., with respect to legality, operational management, knowledge of road safety and technical issues relevant to the road transport business in the countries in which it plans to operate); and d) financially solvent and insured for any operational and/or contractual liability.
- ▶ Charges for the issuance of Permits and TADs will be set by the issuing authority(ies).

 National Transport Facilitation Committee, Lao PDR
GMS Road Transport Permit¹

This document is issued in accordance with Protocol 3 and Article 23 of the 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 the Facilitation of Cross-Border Transport of Goods and People.

Permit No.

Country code	Permit number	Barcode
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Type of Permit/Transport Operation:² Scheduled passenger Non-scheduled passenger Cargo

1. Issuing Authority:

1.1 Name: Department of Transport
 1.2 Address: Lanxang Avenue, Vientiane, Lao PDR
 1.3 Contact Data:³ Tel: +856 21 412 287 • Fax: +856 21 415 563 • Email: dot_laos@hotmail.com

2. Beneficiary of the Permit:⁴

2.1 Name: _____
 2.2 Address: _____
 2.3 Contact Data: _____
 2.4 Road Transport Operator's National License Number:⁵ _____

3. Particulars for Scheduled Passenger Transport Operations Only:

3.1 Itinerary: _____
 3.2 Frequency of operations for the beneficiary: _____
 3.3 Maximum Capacity (number of seats/persons): _____
 3.4 Other Restrictions:⁶ _____

4. Period of Validity:⁷ from _____ until _____

5. Allocated Vehicle Registration Number:⁸

Prime mover/Truck/Bus		Semi-trailer	
1		5	
2		6	
3		7	
4		8	

Place and Date of issuance: _____ Authentication (Seal/Stamp, Signature): _____

¹ Warning: Counterfeiting is a criminal offence. This permit entitles its holder to perform cross-border road transport operations in the GMS region, subject to compliance with national laws of the Host Country, and the other conditions of the Agreement. The transport operator shall keep the original of this permit on board the vehicle at all times during cross-border transport operations for inspection and control purposes by authorities. This permit shall be valid only for the vehicle of which the registration number is entered on the permit form. Except for scheduled passenger transport operators, the itineraries are restricted to the axis/entry point, routes, and corridors defined in Protocol 1 to the Agreement.
² Please tick the type of transport operation.
³ Contact data may include telephone number, fax number, email address, etc.
⁴ This permit is nominative and non-negotiable and non-transferable.
⁵ The validity of this permit shall be subject to the validity of the holder's transport operator license.
⁶ Other restrictions on this type of transport operations flowing from the arrangements on terms and conditions by the Country whose territory is traversed as per Article 5(c) of Protocol 3 to the Agreement.
⁷ Provided the permit is used before the expiry of its validity date by entering the territory of another GMS country than that of its holder transport operator, it shall remain valid until the completion of the transport operation by the return of the vehicle to its Home Country. A cross-border transport operation shall be completed by the exit of the vehicle from the Host Country territory within a period of 30 days from the date of entry in the Host Country territory. If the transport operator is unable to timely leave the Host Country territory, he/she shall inform the Host Country Competent Authority and may be required to file a request for extension.
⁸ Type of vehicle should be entered. Only the number(s) entered in the last box prevail(s). If the form has become full within its validity period, the issuing authority shall upon a simple request from its holder forthwith replace the original form.



What other compliance issues must operators be aware of?

- ▶ As described in the main CBTA text and ‘Early Harvest’ MOU, operators must adhere to the main CBTA requirements for the admittance of road vehicles, i.e., Articles 11–18 of the main CBTA text, with respect to: a) vehicle registration; b) vehicle technical requirements; c) availability of technical inspection certificates; d) compulsory third party vehicle insurance; and e) driving permits.
- ▶ Operators should note that vehicles must satisfy the equipment safety and emissions standards in their Home country, and comply with the technical standards for vehicle weights, axle loads, and dimensions of the Host Country. Information on the latter is available at www.greatermekong.org/ttf.
- ▶ Operators must be aware of and respect the weight limits and road safety requirements of the Host countries in which they operate at all times. Schedules and loads should be planned with these in mind. Failure to respect such rules may result in the cancellation of Permits and an operator’s exclusion from the CBTA.
- ▶ Operators must likewise observe the 30-day time limit for each movement through a Host country. This time limit applies equally to goods containers. Failure to do so may result in fines and other sanctions, including cancellation of Permits and an operator’s exclusion from the CBTA as described in the ‘Early Harvest’ MOU.
- ▶ Cabotage (i.e., the transport of goods or passengers between two places inside a Host country by a transport operator from another GMS country) is not allowed. Operators engaged in unsanctioned cabotage may have their Permits cancelled and be excluded from the CBTA.



What happens next?

- ▶ The CBTA ‘Early Harvest’ will operate from 1 April 2024 until 31 December 2026 (with possible extension).
- ▶ All 5 participating GMS countries (excluding Myanmar) are expected to start issuing mutually recognised Permits and TADs immediately – up to the agreed 500 limit.
- ▶ Further updates and information will be notified on www.greatermekong.org/ttf in the course of ‘Early Harvest’ implementation.
- ▶ Myanmar has agreed a bilateral vehicle quota (100 vehicles) with Thailand and is negotiating similar agreements with Lao PDR and the People’s Republic of China, before joining the ‘Early Harvest’ or revised CBTA by 2027.



FEBRUARY 2024

SUPPORTED UNDER

TA 6579-REG: 'EARLY HARVEST' IMPLEMENTATION OF THE CROSS-BORDER
TRANSPORT FACILITATION AGREEMENT IN THE GREATER MEKONG SUBREGION
CO-FINANCED BY THE GOVERNMENT OF THE UNITED KINGDOM



For more information on ADB's support on EH implementation, contact Mohammad Ehteshamul Hoque,
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