



THE 11th ECONOMIC CORRIDORS FORUM

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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 II

Monitoring Report on the CBTA Early Harvest Implementation Progress

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CBTA EH MONITORING PROGRESS

- Objective

Mekong Institute (MI) was engaged by ADB since May 2018 to monitor and report on 'Early Harvest' implementation (EHI) progress by:

- (i) gathering primary data and feedback from Permit/TAD holders in the five (05) GMS countries taking part in the 'Early Harvest' (and for Myanmar and Thailand the planned bilateral Initial Implementation of CBTA (IICBTA) MYA-T Permits/TADs);
- (ii) organizing national-level workshops to consolidate country-level feedback and regional workshops to identify and validate feedback and issues of common concern; and
- (iii) reporting on EHI and MYA-T IICBTA progress and results to ADB and the CBTA Joint Committee.



CBTA EH MONITORING PROGRESS

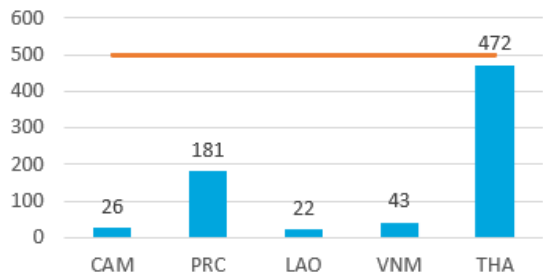
- Number of Permits Issued

COUNTRY	ISSUANCE DATE (the date sending official Letter to other GMS countries)	NUMBER OF COMPANIES	NUMBER OF PERMITS	PASSENGER VEHICLES	GOOD VEHICLES
Cambodia	01/29/2020	5	26	3	23
PRC	09/12/2019	20 (GX3, YN17)	181	71	110
Lao PDR	22/11/2019	4	22	0	22
Vietnam	26/09/2019	5	43	6	37
Thailand	08/01/2019 and 07/10/2019	20	472	20	452
Thailand (IICBTA)	<i>To be updated</i>	15	100	0	100
Myanmar (IICBTA)	30/06/2020	9	45	0	45



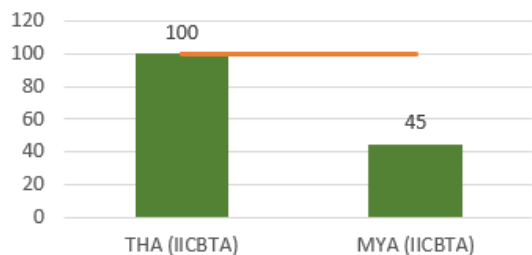
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- Number of Permits Issued



A. CBTA EH

- 744 permits/TADs issued by authorities of Cambodia (26), P.R.China (181), Lao PDR (22), Vietnam (43) and Thailand (472) as of May 2020.
- Among total issued permits/TADs, 100 are given to passenger vehicles, while 644 for goods vehicles.

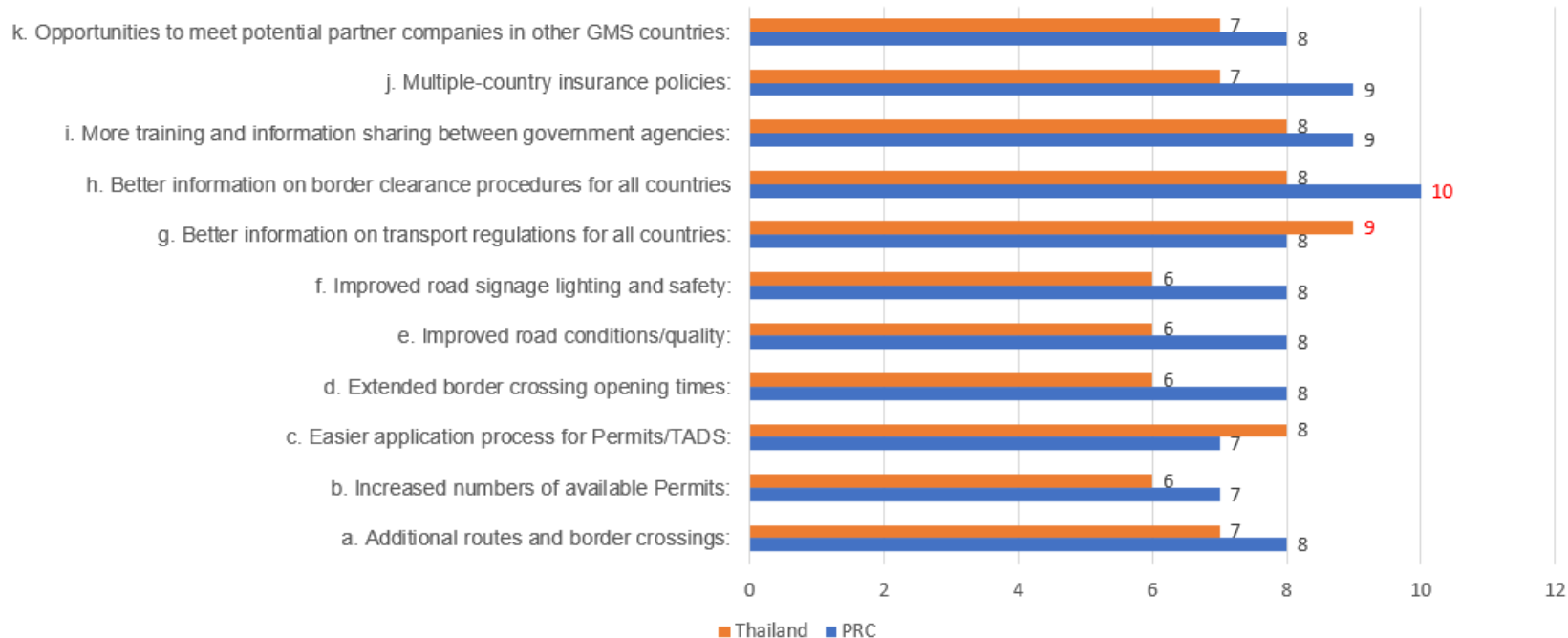


B. MYA-THA IICBTA

- Thailand issued its full complement of 100 THA-MYA IICBTA Permits and TADs to 15 companies;
- Myanmar issued around half (45) of its 100 THA-MYA IICBTA Permits and TADs with work ongoing to issue more (as of June 30, 2020).

CBTA EH MONITORING PROGRESS

- Types of Improvements Needed by Permits Holders



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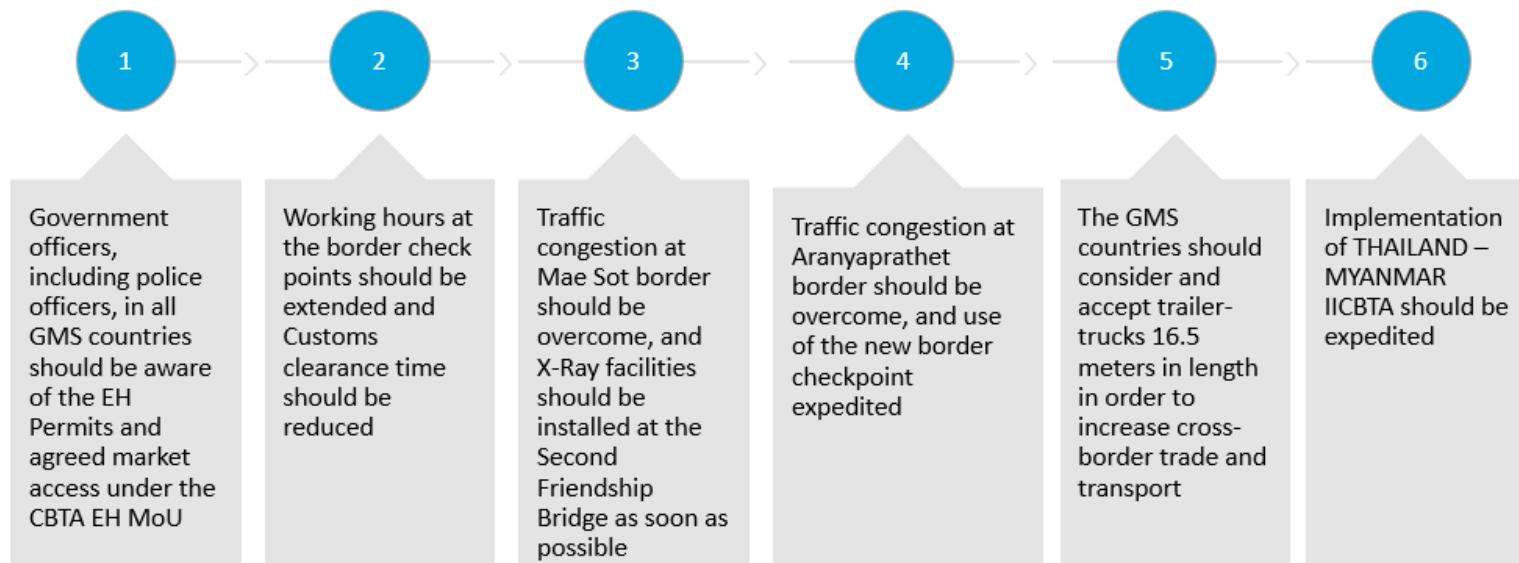
- Challenges faced by Permits Holders in GMS

1. Government officers at the border crossing points lack information on the CBTA EH program which cost more time;
2. Lack of a standard guideline for officials at border crossing points, and the cross border transport operators to smooth the procedure (comparing by using the bilateral permits);
3. Different transport and vehicle regulations in GMS countries;
4. Some of the commonly used routes are not included in the EH program;
5. Market access opportunities are limited for cross border transport service providers;



CBTA EH MONITORING PROGRESS

- Some of Permits Holder's Requests



Key Findings

- The second country-level survey was conducted in **Thailand, P. R. China, Lao PDR, and Vietnam** from November 2019 to May 2020.
- Out of total 49 companies holding permits/TADs in the aforementioned four countries, **29 (59%), companies responded** to the survey. The result showed that there is **only one (1) Thai company using its permits/TADs** for cross-border transportation; the rest of the companies reported they are using bilateral permits.
- **The main reason** for not yet using the permits/TADs is due to
 - Lack of recognition of the EH permits/TADs at border crossing points .
 - No clear guideline for officials at border crossing points and transport operators;
 - Different transport regulation in GMS countries
 - Some of the commonly used routes are not included in the EH program;
 - Market access opportunities are limited for foreign cross border transport service providers.



Key Findings

- Most of the surveyed companies are willing to use the permits/TADs in the future if it is recognized by governmental officials at border crossing points and the clear guideline for procedure is in place.
- The surveyed companies suggested to
 - improve the information system on border clearance procedures and transport regulations for all countries,
 - provide more training to share information among government agencies to solve the challenges.
 - issue multiple-country insurance policies to facilitate safety issues along the routes, create more logistics business opportunities in all GMS countries/markets and business matching opportunities to reduce number of empty runs, as well as to increase job opportunities for female.



RECOMMENDATION

- Accelerate CBTA EH implementation through:
 1. **Further issuance** of EH Permits/TADs (to meet the the 500 quota/GMS country) while improve and simplify the procedure;
 2. **Full recognition** of EH Permits and TADs among government agencies, especially need to enhance awareness of the officials who working at the border crossing points;
 3. **Greater clarity** on operators' access rights to places listed in CBTA Protocol 1 (including seaports, inland ports and SEZs), and **include some commonly used routes** in the EH program
 4. **Formal government announcements** if needed to confirm the EH is operational and that GMS countries welcome EH operators engaged in cross-border GMS transport;
 5. **Increased transparency and enhanced information sharing mechanism(s)** in support of the CBTA EH (including transport regulations, border clearance and Customs Transit);
 6. Consideration by GMS countries of specific measures to facilitate cross-border movement (e.g. multiple entry visas, vehicle dimensions, insurance etc.)
- Accelerate MYA-THA IICBTA implementation with TA to Myanmar as needed.

Note: The survey results were introduced to the NTFC in Dec 2019. Suggestions and recommendation are being followed up by NTFC.

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