



Greater Mekong Subregion Statement of the Third Meeting of the Joint Committee for the Cross-Border Transport Agreement

Preamble

We, the members of the Joint Committee for 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 Facilitation of the Cross-Border Transport of Goods and People* (referred to as the "CBTA"), met in Vientiane, Lao People's Democratic Republic (Lao PDR), for the Third Meeting of the Joint Committee on 17 June 2010. We were pleased to be joined in our discussions by ADB.

With the growing importance of regional trade in accelerating economic growth and reducing poverty, we are committed to promoting and accelerating measures to facilitate transport and trade between and among our countries through the full and effective implementation of the CBTA. With the completion of key sections of transport corridors linking our countries, improved transport and trade facilitation will be key to transforming these corridors into economic corridors.

Status of CBTA Implementation

We are greatly encouraged by the progress achieved since our last meeting in March 2007, including: (i) finalization and signing of remaining CBTA annexes and protocols by all GMS countries, and ratification of the annexes and protocols by most GMS countries; (ii) initial implementation of the CBTA at various border crossing points¹; (iii) agreement on additional border crossings for CBTA implementation, between the PRC and Lao PDR along the North-South Corridor, and between Cambodia and Viet Nam along the Southern Economic Corridor (SEC); (iv) agreement on a harmonized customs transit and temporary admission system (CTS) and a public-private partnership for implementation of the CTS, including establishment of guaranteeing organizations and agreement on a guarantee network; (v) agreement on a GMS road transport permit; and (vi) commencement of operations along the East-West Economic Corridor (EWEC), under the GMS road permit system and the CTS, including establishment of a CBTA Fast Track² at the border checkpoints.

Recognizing the complexity and challenges inherent in strengthening of the transport and trade facilitation environment, we noted more progress would have been desirable in developing national action plans for the implementation of the Agreement and in further achieving targets such as ratification or acceptance of all the annexes and protocols to the Agreement, and commencement of full implementation of the Agreement along priority GMS corridors. Faced with these challenges at the CBTA level, the countries have been seeking to take forward bilateral and trilateral agreements as key building blocks for the CBTA.

¹ Dansavanh (Lao PDR)-Lao Bao (Viet Nam), Mukdahan (Thailand)-Savannakhet (Lao PDR), Hekou (PRC)-Lao Cai (Viet Nam).

² By which drivers holding CBTA documents are accorded the privilege of crossing borders with minimum inspection by authorities.

Furthermore, we discussed and agreed on a comprehensive Action Plan for Transport and Trade Facilitation in the GMS. In this context, we welcomed the proposed technical assistance to be mobilized by ADB in 2010 for facilitating implementation of this program.

The Joint Committee Action Plan

To address the challenges of accelerating CBTA implementation, we shall endeavor to carry out the following actions.

Ratification

- (i) Ratification of annexes/protocols related to transport and customs (Myanmar and Thailand) at an appropriate time

Traffic Rights

- (ii) Comprehensive review and analysis of all bilateral and trilateral exchanges of traffic rights and related MOUs to be undertaken
- (iii) Encourage early adoption and/or further implementation of bilateral traffic rights agreements/arrangements, e.g., between the PRC and Viet Nam, and between the PRC and Myanmar
- (iv) Encourage trilateral agreements/arrangements (a) among the PRC, Lao PDR, and Thailand, and (b) among Cambodia, Lao PDR, and Viet Nam
- (v) Seek expansion of the East-West Economic Corridor (EWEC) to connect additional origins/destinations

Customs Transit

- (vi) Undertake analysis of the CTS and present for high-level consultations among Lao PDR, Thailand, and Viet Nam officials
- (vii) Customs from EWEC countries to prepare detailed Action Plan for effective implementation of the CTS
- (viii) Prepare and document implementation details pertaining to MOUs signed between national Customs agencies and the national transit guarantors selected (Board of Trade of Thailand, Lao International Freight Forwarder Association, Viet Nam Automobile Transport Association)
- (ix) Disseminate the CTS among Customs officers and private sector officials
- (x) Identify measures required to extend the CTS to other corridors
- (xi) Apply the CTS to other corridors, e.g., the North-South Economic Corridor, the Southern Economic Corridor, the Southern Coastal Corridor, and the Central Economic Corridor

Border Procedures

- (xii) Undertake mapping of all processes that involve border control agencies to enable streamlined single window inspections to take place along the EWEC and propose process improvements that include time-saving data and information exchange
- (xiii) Apply the processes of coordination of border control agencies and streamlined single window inspection to other corridors
- (xiv) Identify legal, regulatory framework and capacity building requirements for the implementation of the proposed process improvements and solutions to be operational
- (xv) Provide training to border staff at the single window inspection sites
- (xvi) Strengthen SPS regimes in GMS countries

We instruct our senior NTFC officials, through annual subcommittee meetings held in a flexible manner, to monitor implementation of these actions and even more importantly the outcomes of these actions in terms of reduced time and costs for transport and trade along corridors implementing the CBTA, and to bring to our immediate attention any issues that may arise in the course of implementation.

We are grateful for the continued support from ADB, which was instrumental in facilitating the finalization of the CBTA and its annexes and protocols, and more recently in its implementation. We welcome the new Action Plan for Transport and Trade Facilitation in the GMS, and request ADB to assist in continuing to mobilize support for enhanced GMS cooperation for transport and trade facilitation from other development partners.

We believe that the effective and sustainable strengthening of transport and trade facilitation through implementation of the CBTA provides a strong foundation for the GMS pillars of enhancing connectivity, improving competitiveness, and building a greater sense of community. Through this endeavor, we will contribute to our shared goal of a prosperous, integrated, and harmonious Greater Mekong Subregion.

We express our appreciation and gratitude to the Government of the Lao People's Democratic Republic for their warm hospitality and excellent arrangements made for the Third Meeting of the Joint Committee.

Endorsement

This Statement of the Third Meeting of the Joint Committee for the Cross-Border Transport Agreement was endorsed at Vientiane on 17 June 2010 by members of the Joint Committee, namely: (i) His Excellency Ros Seilava, Deputy Secretary General, Ministry of Economy and Finance, Royal Government of Cambodia; (ii) His Excellency Gao Hongfeng, Vice Minister, Ministry of Transport, Government of the People's Republic of China; (iii) His Excellency Sommad Pholsena, Minister, Ministry of Public Works and Transport, Government of the Lao People's Democratic Republic; (iv) His Excellency Thura U Thaung Lwin, Deputy Minister, Ministry of Rail Transportation, Government of the Union of Myanmar; (v) His Excellency Sophon Zaram, Minister, Ministry of Transport, Government of the Kingdom of Thailand; and (vi) His Excellency Le Manh Hung, Vice Minister, Ministry of Transport, Government of the Socialist Republic of Viet Nam.