

# Greater Mekong Subregion Statement of the Fourth Meeting of the Joint Committee for the Cross-Border Transport Facilitation Agreement And 3-Year Blueprint on Transport and Trade Facilitation (2013-2016)

### **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 (PRC), the Lao People's Democratic Republic (Lao PDR), the Republic of 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 in the Greater Mekong Subregion (referred to as the "CBTA"), met in Nay Pyi Taw, Myanmar, for the Fourth Meeting of the Joint Committee on 22 November 2013. We were pleased to be joined in our discussions by staff of the Asian Development Bank.

Recognizing that the reduction of nonphysical barriers to transport and trade is key to increasing the benefits of improved connectivity among our countries, and cognizant of the importance of intraregional trade, tourism, and investments in boosting economic growth and improving standards of living in the GMS, we remain committed to fast tracking and streamlining transport and trade facilitation measures between and among our countries. We will continue to accelerate our common goals of transforming transport corridors into economic corridors and aligning our transport and trade facilitation strategy with the ASEAN Economic Community Blueprint and with the investment needs identified in the GMS Regional Investment Framework through pragmatic, realistic, and results-oriented transport and trade facilitation initiatives. Regarding the CBTA, we will continue with the practical approach of focusing our efforts on bilateral and trilateral transport facilitation MOUs as key building blocks to its full implementation.

### Achievements of the GMS Action Plan for Transport and Trade Facilitation

We are greatly encouraged by the progress achieved in implementing the comprehensive Action Plan for Transport and Trade Facilitation in the GMS since our last meeting in June 2010. Major achievements include the following:

(i) Ratification of all 20 of the annexes and protocols by four GMS countries, and ratification of 17 by Myanmar and 14 by Thailand;

- (ii) Extension of the EWEC to key GMS capitals (Bangkok, Hanoi, Vientiane) and deep-sea ports (Haiphong and Laem Chabang);
- (iii) Streamlining of Single-Stop Customs Inspection Mechanisms at key border crossing points;
- (iv) Improved implementation of the CBTA at various key border crossing points<sup>1</sup>;
- (v) Implementation of bilateral traffic rights exchange between the PRC and Viet Nam, Cambodia and Thailand, and Cambodia and Viet Nam;
- (vi) Agreement on border crossing points for CBTA implementation, between Cambodia and Viet Nam (Prek-Chak Ha Tien) along the Southern Coastal Economic Corridor;
- (vii) Completion of a draft trilateral MOU among the governments of the Lao PDR, PRC, and Thailand for facilitation of cross-border transport at Chiang Kong-Houayxay and Boten-Mohan; and
- (viii) Launching of the GMS Transport and Trade Facilitation Knowledge Portal.

Recognizing the challenges and complexity inherent in strengthening the transport and trade facilitation environment, we will continue to target bilateral and trilateral MOUs under the CBTA Framework as building blocks for CBTA implementation, as well as strengthen capacity at the borders and increase collaboration and knowledge sharing between and among our countries, the private sector, and development partners.

### The Joint Committee Three-Year Blueprint for Transport and Trade Facilitation (2013-2016)

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

## <u>Mainstreaming Transport and Trade Facilitation into National Laws/Regulations</u>

(i) Ratify the remaining annexes/protocols (Myanmar and Thailand) as soon as possible and fully integrate the CBTA into national laws (all countries).

### Route Expansion and Traffic Rights Exchange

(ii) Accelerate implementation of the agreed extended EWEC route to

<sup>&</sup>lt;sup>1</sup> Dansavanh (Lao PDR)-Lao Bao (Viet Nam), Mukdahan (Thailand)-Savannakhet (Lao PDR), Hekou (PRC)-Lao Cai (Viet Nam).

- GMS capitals and deep-sea ports<sup>2</sup>.
- (iii) Include Routes 8 and 12/12A in CBTA Protocol 1 as part of the EWEC.
- (iv) Extend the operational route of the EWEC to include Myanmar.
- (v) Encourage early adoption and/or further implementation of bilateral traffic rights agreements/arrangements, e.g., between the PRC and Myanmar and between Myanmar and Thailand.
- (vi) Encourage early adoption and/or accelerate implementation and close monitoring of trilateral agreements/arrangements (a) among the PRC, Lao PDR, and Thailand (i.e., along the Kunming-Bangkok Route), and (b) among Cambodia, Lao PDR, and Viet Nam.
- (vii) Expedite measures in resolving and/or troubleshooting operational issues in the implementation of the exchange of traffic rights between and among GMS countries.
- (viii) Increase transport permit quotas under traffic rights exchange in accordance with market demand and extend operational routes based on the demand for trade.

### **Customs Cooperation and Border Management**

- (ix) Improve customs cooperation and facilitation in the implementation of single-window and single-stop mechanisms, and propose system improvements that include the latest developments in information and communications technology and information exchange.
- (x) Apply the processes of coordinated border management including streamlined single-window inspection.
- (xi) Identify legal/regulatory framework and capacity building requirements for the proposed process improvements and solutions to be made operational.
- (xii) Revitalize initiatives on customs transit, undertake an assessment on how existing mechanisms can complement ASEAN customs transit initiatives and conduct country consultations on how to move forward.
- (xiii) Enhance information dissemination to border staff at the border sites and provide training and capacity-building.
- (xiv) Enhance the capacity of the guaranteeing organizations/ private sector in facilitating customs transit in the GMS.
   Support the strengthening of Sanitary and Phytosanitary (SPS) measures at the borders.

<sup>2</sup> We hereby unanimously consent to the amendment of Protocol 1 of the CBTA to include: (i) Laem Chabang - Bangkok - Khon Kaen - Udon Thani - Nong Khai (T) - Thanaleng - Vientiane (LAO), and (ii) Laem Chabang - Bangkok - Khon Kaen - Kalasin - Mukdahan (T) - Savannakhet - Dansavanh (LAO) - Lao Bao - Cam Lo - Khe Giat - Thanh Khe - Xuan Mai - Hoa Lac - Hanoi - Haiphong (VN).

### Private Sector Cooperation Mechanisms

- (xv) Strengthen the involvement and participation of the private sector and transport associations.
- (xvi) Establish a subcommittee on guaranteeing organizations under the Joint Committee of the GMS CBTA in order to strengthen private sector involvement and coordination with the government.
- (xvii) Provide capacity building and training for guaranteeing organizations.
- (xviii) Encourage the establishment of cross-border vehicle insurance cooperation mechanisms between/among GMS countries.
- (xix) Develop more knowledge products in order to increase awareness of transport and trade facilitation issues and disseminate good practices.

We, the members of the Joint Committee, endorse the Three-Year Blueprint for Transport and Trade Facilitation in the GMS (2013-2016) to successfully harness the full benefits of transport connectivity for the next phase of the implementation of the GMS CBTA.

We request the senior officials of the National Transport Facilitation Committee to further refine and update the Action Plan for the Three-Year Blueprint for Transport and Trade Facilitation that identifies the roles and responsibilities and specific actions needed from GMS countries and ADB.

We encourage the senior officials of the National Transport Facilitation Committee, through regular meetings and subcommittee meetings to be held once a year or as needed, to address operations issues and bottlenecks, monitor the progress and outcomes of these actions, and to bring to our immediate attention emerging issues during the course of implementation.

We appreciate the continued support from ADB and other development partners. We request ADB to continue to serve as the Secretariat of the Joint Committee and to coordinate and facilitate implementation of the Three-Year Blueprint and to mobilize support from other development partners since a long-term focus on capacity development is critical and funding commitments are needed to continue ongoing and newly initiated activities.

We believe that effective and sustainable strengthening of transport and trade facilitation through implementation of the CBTA and its related bilateral and trilateral MOUs 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 subregion.

We express our appreciation and gratitude to the Government of Myanmar for its warm hospitality and excellent arrangements made for the Fourth Meeting of the Joint Committee.

#### **Endorsement**

This Statement of the Fourth Meeting of the Joint Committee for the Cross-Border Transport Facilitation Agreement was endorsed in Nay Pyi Taw on 22 November 2013 by members of the Joint Committee,

- (i) Her Excellency Min Meanvy, Secretary of State, Ministry of Public Works and Transport, Royal Government of Cambodia
- (ii) His Excellency Dai Dongchang, Chief Planner, Ministry of Transport, Government of the People's Republic of China
- (iii) His Excellency Dr. Bounchanh Sinthavong, Deputy Minister, Ministry of Public Works and Transport, Government of the Lao People's Democratic Republic
- (iv) His Excellency Chan Maung, Deputy Minister, Ministry of Rail Transportation, Government of the Republic of the Union of Myanmar
- (v) His Excellency Chanchai Suwisuttagul, Inspector- General, Ministry of Transport, Government of the Kingdom of Thailand
- (vi) His Excellency Nguyen Hong Truong, Deputy Minister, Ministry of Transport, Government of the Socialist Republic of Viet Nam