

The Greater Mekong Subregion (GMS)
Economic Cooperation Program

**Progress in Transport and Trade
Facilitation Initiatives in the GMS**

*15th GMS Ministerial Conference
Development Partners' Meeting
18 June 2009*




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Importance of TTF Measures

**Recognition by GMS Summit and other forums of
TTF in building and sustaining the subregion's
overall competitiveness:**

- Third GMS Summit – need for accelerated harmonization and integration of border crossing formalities, including CIQ, and development of trade logistics
- Twelfth Meeting of the Subregional Transport Forum (STF-12) – need to address remaining unresolved issues delaying the implementation of the CBTA at the selected pilot border crossing points
- GMS Senior Officials' Meeting (SOM) – little time left to target year for full implementation of CBTA (2010)

The global economic crisis - TTF will help enhance cross-border, intra-regional trade - to compensate for any decline in global trade



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Recent Progress

- Joint customs inspection in a common control area at Dansavanh-Lao Bao;
- Single-window inspection at Mukdahan-Savannakhet and Hekou-Lao Cai;
- Increase in quota of vehicles for cross-border transport between Cambodia and Viet Nam;
- Three-country exchange of traffic rights among Lao PDR, Thailand, and Viet Nam and implementation of the GMS CTS along the East-West Corridor;
- communication links at Savannakhet - Mukdahan; and
- Lao PDR to upgrade its checkpoint and allow joint document processing and physical inspection with Viet Nam at Dansavanh



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Strategic Review: Identification of Impediments to Effective Implementation (I)

- Ratification of the CBTA and its annexes and protocols has taken longer than expected; in most cases, ratification \neq implementation
- Limited coordination among TTF initiatives within and beyond GMS
- Need to prioritize actions rather than try to do too much – greater pragmatism and results-orientation
- Insufficient “ownership” of the CBTA by Customs and other government agencies
- Infrastructure remains a constraint



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Strategic Review: Identification of Impediments to Effective Implementation (II)

- Need for effective SPS program but limited SPS provisions in CBTA
- Limited coordination among TTF initiatives within and beyond GMS
- Need for all countries to benefit equitably
- Insufficient awareness and involvement by the private sector in the CBTA
- Institutional arrangements need strengthening
- Significant capacity development needs at all levels (borders, provinces, and capitals)



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Development Partner Involvement

- DP cofinancing support for CBTA activities – e.g., AusAID, PRC Fund
- DP activities and GMS initiatives on TTF complement and reinforce each other

Examples:

- ASEAN
 - Framework Agreements
 - ASEAN Single Window
 - ASEAN Customs Transit System
- World Bank – support for TTF initiatives in individual countries
- UNESCAP
- WCO
- ASEAN-EU - APRIS
- JICA
- USAID



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Need for a Strategy for Effective Implementation

- Need for well coordinated strategy and actions to address the identified issues and impediments
- A proposed strategy and work program prepared and to go through further consultations
- Close and active DP involvement is enjoined



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Thank You



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