Regional: Support for Implementing the Action Plan for Transport and Trade Facilitation in the Greater Mekong Subregion (Subproject 2)

Project Name: Support for Implementing the Action Plan for Transport and Trade Facilitation in the Greater Mekong Subregion (Subproject 2)

Project Number: 44174-032

Country: Regional, Cambodia, Laos People's Democratic Republic, Myanmar, Viet Nam

Project Status: Active

Project Type / Modality of Assistance: Technical Assistance


Strategic Agendas:
- Inclusive economic growth
- Regional integration

Drivers of Change:
- Governance and capacity development
- Knowledge solutions
- Partnerships
- Private sector development

Sector / Subsector:
- Industry and trade - Trade and services
  - Transport - Multimodal logistics

Gender Equity and Mainstreaming: Some gender elements

Description:
At the 16th Ministerial Conference in Hanoi, Viet Nam in August 2010, the GMS Ministers endorsed a GMS Transport and Trade Facilitation Action Program (TTF AP) for 2011-2016, viewed as essential to promoting GMS competitiveness and accelerating transformation of transport corridors into economic corridors. Given the TTF AP's importance, the Ministers requested ADB to facilitate its implementation as the lead development partner for TTF. Subsequently, ADB approved the Regional Policy and Advisory Technical Assistance Cluster (C-R-PATA) on Support for Implementing the Action Plan for Transport and Trade Facilitation in the GMS on 26 November 2010 in an aggregate amount not exceeding the equivalent of $5,700,000 to be financed by the Government of Australia and administered by the ADB. Implementation of the C-R-PATA is to be undertaken in phases through 3 subprojects (SPs). SP1 was approved on 29 August 2011 and completed on 31 July 2014. Given the lessons learned under SP1 and a refined scope to support the remaining TTF issues and challenges, ADB and the Australian Government agreed to combine the SP2 and SP3. The SP2 was approved on 28 October 2014 and will cover the remaining timeframe period of 31 October 2014 through 31 December 2016. The refined scope of SP2 incorporates the feedback from extensive consultations with country counterparts and development partners supporting TTF initiatives.

Project Rationale and Linkage to Country/Regional Strategy:
The GMS TTF-AP comprises a broad spectrum of initiatives in three areas: (i) transport facilitation; (ii) trade facilitation; and (iii) capacity building and institutional reform. Based on the MTR of SP1, feedback from country-level consultations as well as the recommendations contained in GMS Sector Report on Transport and Related Services (Transport Sector Report), SP2 will address the following issues: (i) strengthening Transit Operations; (ii) Expanding Transport Rights and Traffic Rights; and (iii) Developing subregional trade logistics systems for more competitive services.

Impact:
More efficient land-based trade within the GMS, leading to increased volumes of subregional trade along select corridors

Project Outcome:
(i) Faster, easier, cheaper, and more inclusive cross-border transport and trade;
(ii) Improved coordination between national, subregional, regional and multilateral commitments and activities, with particular focus on customs transit

Progress Toward Outcome:
2. Expanding transport rights and traffic rights
   2.1 Mapping Completed for harmonized bilateral and trilateral transport agreements
   2.2 Cross-border traffic rights extended and routes extended
   2.3 Road usage charge scheme designed
3. Developing subregional trade logistics systems for more competitive services
   3.1 Private sector transport operators and logistics services supported in CLMV
   1.1 CLMV countries are better prepared to implement a GMS Electronic Customs Transit System (eCTS)
   1.2 GMS transit and inland customs clearance procedures are aligned with international best practices
   1.3 Coordinated risk management and subregional Authorized Transit Traders Scheme is developed
   1.4 Second Joint Customs Inspection is piloted
1.3 CLMV countries are better prepared to implement a GMS Electronic Customs Transit System (eCTS) An introductory workshop to eCTS was implemented in the CLMV countries in March 2018. A detailed presentation of the eCTS was given as well as an overview gained of Customs automation as part of the planned new Myanmar Automated Cargo Clearance System (MACS), based on Japanese NACS and NCS systems, with financial support from JICA. The main output of the workshop was an agreement on a draft 2015/2016 action plan, which will be developed to implement the eCTS in the CLMV countries. The requirements were presented, together with a live simulation (the Customs, other government agencies and the private sector) of the European ACTS system on which the ACTS is based. The meeting was concluded in Phnom Penh, Cambodia on 16-18 May 2015. The second round of technical discussion on the eCTS took place in October-November 2015 as follows: 12-15 October in Vientiane; 19-22 October in Hanoi; 9-12 November in Phnom Penh; and 9-12 November in Phnom Penh. In this discussion, the eCTS technical specification and functional requirements (including GUI) were delivered. In addition, consensus was achieved on the draft ACTS early in 2017, following completion of the North-South demonstration project between Singapore, Malaysia and Thailand. Similar activities were held in the Phnom Penh, Cambodia on 8-10 November 2015. There is also increasing cross-over with ASEAN, as the ASEAN Secretariat and ASEC-support facilities draw on GMS experience to help launch traffic facilitation initiatives. As the MOU on Early Harvest implementation of CBTA is launched, engagement with the private sector will be more intensive, particularly in monitoring the CBTA implementation. The MOU on Early Harvest implementation (permit and TAD issuance) in the ASEAN-10. There is also increasing cross-over with ASEAN, as the ASEAN Secretariat and ASEC-support facilities draw on GMS experience to help launch traffic facilitation initiatives. As the MOU on Early Harvest implementation of CBTA is launched, engagement with the private sector will be more intensive, particularly in monitoring the CBTA implementation. The MOU on Early Harvest implementation (permit and TAD issuance) in the ASEAN-10. There is also increasing cross-over with ASEAN, as the ASEAN Secretariat and ASEC-support facilities draw on GMS experience to help launch traffic facilitation initiatives. As the MOU on Early Harvest implementation of CBTA is launched, engagement with the private sector will be more intensive, particularly in monitoring the CBTA implementation. The MOU on Early Harvest implementation (permit and TAD issuance) in the ASEAN-10. There is also increasing cross-over with ASEAN, as the ASEAN Secretariat and ASEC-support facilities draw on GMS experience to help launch traffic facilitation initiatives. As the MOU on Early Harvest implementation of CBTA is launched, engagement with the private sector will be more intensive, particularly in monitoring the CBTA implementation. The MOU on Early Harvest implementation (permit and TAD issuance) in the ASEAN-10. There is also increasing cross-over with ASEAN, as the ASEAN Secretariat and ASEC-support facilities draw on GMS experience to help launch traffic facilitation initiatives. As the MOU on Early Harvest implementation of CBTA is launched, engagement with the private sector will be more intensive, particularly in monitoring the CBTA implementation. The MOU on Early Harvest implementation (permit and TAD issuance) in the ASEAN-10.
Summary of Environmental and Social Aspects

Environmental Aspects

Involuntary Resettlement

Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design

During Project Implementation

Business Opportunities

Consulting Services
A group of individual consultants (and firms as appropriate) will provide the advisory, technical, and administrative support services. It is estimated that it will require a total of 81 person-months of international consultants and 82 person-months of national consulting services. Detailed consultant terms of reference will be developed in the course of implementation.

Procurement
Some office, telecommunication and transport equipment will be procured.

Responsible ADB Officer
Sasradipoera, Kanya S.

Responsible ADB Department
Southeast Asia Department

Responsible ADB Division
Thailand Resident Mission

Executing Agencies
Asian Development Bank
6 ADB Avenue,
Mandaluyong City 1550, Philippines

Timetable

Concept Clearance

Fact Finding
17 Jun 2013 to 22 Jun 2013

MRM

Approval
28 Oct 2014

Last Review Mission

Last PDS Update
01 Apr 2019

TA 8748-REG

Financing Plan/TA Utilization

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