

Recommendations of Implementation of the GMS Cross-Border Transport Agreement (CBTA): Possible Roles for the Private Sector

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Problems and recommendations for GMS Cross Border Transportation Agreement (CBTA), which is the agreement of transport connection among the countries in GMS region, must give precedence to North-South and East-West Economic Corridor, especially on Route R9 and Route R3. The important point is the need to change agreement in G2G level, which the government of each country giving assent for materialization of this project. Road transportation tend to be the important mode in connecting Intra GMS Countries and it will be the option mode between sea and land transportation which is currently a speedy way for traveling and transporting goods to Bangkok via Route R3 to Kunming takes about 3-4 days whereas sea transportation takes 3 times longer than road transportation.

Important Issues Requiring Agreement for Practical Reasons are as follow:

- 1. Route R9** Mukdaharn-Savarnakhet connecting requires urgent agreement SSI: Single Stop/ Single Window Inspection including GMS Multiple Visa which is for truck drivers. Moreover, registration of 500 trucks are not enough, it has to urgently study for making Single Stop and Single Window which is processed successful at the frontier between Dansavanh border in Laos and Lao-Bao border in Vietnam including Single Stop failure case study at Hekou in China and Lao-Cai in Vietnam, which could not process practically; consequently, it will be the case study of Route R3 and R9 in Thailand. However, there is an agreement to streamline Mukdaharn and Savarnakhet frontier which SSI

Agreement must rules and covers practically about documents inspection. There is also collaboration in customs clearance, Border Check Point, quarantine and Immigration Authorities in one location in the national territory which is aimed at reducing time frame by 70%. However Route R9 offers opportunities for Thais to make investment in Offshore Factory, particularly in Lao-Bao Industrial Estate will be the high potential and it will be alternative way to transit cargo among Thailand-Laos-Vietnam-China.

2. Route R3E also called R3A or Kunmung-Konglu have the potential to be transport connecting in Northern Thailand which have Chiangrai to be Economic Gateway to Borkaew district, Luang Namtha and Yunnan, with Kunming being the center. It is necessary to accelerate the agreement of using road and also speed up building Maekong River Bridge, especially transshipment agreement. Presently, Thailand has no Door to Door Agreement of Thailand-Laos-China transshipment in international scale and the private sector need to accelerate the agreement of using toll payment, repairing road and traffic signs and streamlining regulations which are less progressive because the government in each country wants to use the standard format of Route R9. However, Thailand's business sector gives the high priority to Route R3 because it is the shortest route 228 kilometers approximately to connect Thailand and China via Northern Laos. This area offers a chance for investment to promote agricultural and co-production industry, particularly tourism.

Problems to be discussed in the Meeting for urgent solutions as follows:

1. Single Stop/ Single Window for cross border trade, requires urgent solutions, particularly in Harmonization and Documentation about customs, quarantine and immigration.

2. Accelerating Agreement among Thailand, Laos, Vietnam and China about standard of trucks focusing on GMS driving license and GMS business card, it will facilitate going in and out cross border in each country without using passport or Border pass.

3. Urgent Agreement for transit to the third country should be exempted from checking and opening container includes bond deposit. There is not Transshipment Agreement among GMS countries, which renders goods under Incoterms, such as, DDU and DDP not feasible or there are the problems about sending back empty containers. In this regard, Reverse Logistics require urgent agreement immediately.

4. Insurance and Liability requires agreement for Route R3 and Route R9 to be international transportation route which have effect on transportation under CIF insurance coverage, such as CIF terms especially some countries are not recognized by door to door terms.

5. Road Repairing We found that Route R3 and R9 was damaged partially, so that it is necessary to require urgent agreement of using GMS main connecting route, such as, if roads are damaged what sort of repairs to carry out? If toll payment is necessary, there will be fund available for repairing roads. It requires urgent agreement and solutions over truck weights, speed limits, punishment and fines imposed under international basis.

6. The last topic It should be considered on CBTA Agreement and other which has 17 annexes and 3 protocols, can do practically and also can enforce in the frontier of every countries.

Finally, I extend my thanks for the chance to talk about business on the platform of GMS. I hope to receive collaboration from the participants of Third Greater Mekong Sub-region Summit of Leader which is bound to collect the benefits and make high sustainable competitiveness in every country in GMS region.