Chapter 5

Assessment of Soft and Hard Infrastructure Development

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November 2015

This chapter should be cited as
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5-1. Hard Infrastructure

5-1-1. Implementation of the CADP projects during 2012–2015

The first version of the CADP (ERIA, 2010) compiled a list of prospective projects for logistics and economic infrastructure development based on publicly available information. The CADP classified prospective infrastructure projects in terms of their priority, subregions (Mekong, BIMP-EAGA+, and IMT+) 10, and the three tiers of development in accordance with the conceptual framework of the CADP.

Following up the submission of CADP to the 5th East Asia Summit in 2010, ERIA updates the implementation status of the listed infrastructure projects every year. Figure 5.1.1 illustrates the considerable progress of CADP project implementation. The projects under the operation stage increased their shares from 9 percent in 2011 to 28 percent in 2014, while those under the construction stage expanded from 19 percent to 23 percent during the same period.

CADP infrastructure projects were categorised into top priority (that contains 178 projects), priority (166), and normal (359) projects. Among the top priority projects, projects under the operation stage increased from 10 percent in 2011 to 28 percent in 2014. As for the priority and normal projects, the percentage increased from 8 percent to 27 percent and from 9 percent to 29 percent during the 2011–2014 period.

CADP projects were also categorised by three subregions—the Extended Mekong, BIMP-EAGA+, and IMT+; the number of projects in each subregion is 452, 190, and 61, respectively. About 64 percent of CADP projects are planned or implemented in the Extended Mekong Subregion. Said subregion has made more progress than others in implementing projects. The projects under the operation stage account for 34 percent of all projects in the Extended Mekong Subregion in 2014, whereas such projects occupy only 19 percent and 15 percent in BIMP-EAGA+ and in IMT+, respectively.

10 BIMP-EAGA+ refers to Brunei Darussalam-Indonesia-Malaysia-The Philippines East ASEAN Growth Area and surroundings regions; IMT+ refers to Indonesia-Malaysia-Thailand Growth Triangle and surroundings regions. The Extended Mekong, BIMP-EAGA+, and IMT+ are broad subregions that are designed to cover a wider geographical range than the existing framework in order to include Tiers 1, 2, and 3 as well as their inter-connectivity.
The CADP classifies stages of development in terms of the degree of participation in production networks as follows (ERIA, 2010:12):

Tier 1: Countries/regions that are already in production networks and where industrial agglomerations have started to form.

Tier 2: Countries/regions that are not yet fully integrated into quick and high-frequency production networks.

Tier 3: Countries/regions that are not likely to come into quick and high-frequency production networks in the short run but would like to provide a new framework for industrial development with the development of logistics infrastructure as a trigger.

Tier 1 has 178 projects (25 percent of 703) whereas Tiers 2 and 3 consist of 321 (46 percent) and 204 (29 percent). Figure 5.1.2 shows the progress by three tiers.

The projects in Tier 1 under the conceptual or feasibility study stage decreased from 122 to 78 in 2011–2014. In other words, 33 projects or 36 percent of the projects (= 33/122) under the planning stage in 2011 moved into the construction or operation stage by 2014. The projects under the conceptual and feasibility study stages decreased from 45 to 12 and from 77 to 66, respectively. On the other hand, the projects under the construction and operation stages increased from 38 to 52 and from 18 to 48, respectively.
Consequently, the projects under the operation stage accounted for 27 percent of the projects in Tier 1 in 2014.

The projects in Tier 2 under the conceptual or feasibility study stage decreased from 249 to 157 in 2011–2014. A total of 92 projects or 37 percent of the projects (=92/249) under these planning stages in 2011 were promoted to the more advanced construction or operation stage by 2014. The projects under the conceptual and feasibility study stages decreased from 138 to 50 and from 111 to 107, respectively. Instead, the projects under the construction and operation stages increased from 41 to 78 and from 31 to 86, respectively. Consequently, the projects under the operation stage reached 27 percent of the projects classified in Tier 2 in 2014.

The projects in Tier 3 under the conceptual or feasibility study stage decreased from 137 to 109 during the same period. A total of 28 projects or 20 percent of the projects (=28/137) under the planning stage in 2011 had advanced to the construction or operation stage by 2014. The projects under the conceptual stage decreased from 85 to 40, while those under the feasibility study stage increased from 52 to 69. The projects under the construction stage decreased from 53 to 31, though those under the operation stage increased from 14 to 64. Consequently, the projects under the operation stage reached 31 percent of the projects classified in Tier 3 in 2014. The projects in Tier 3 seem to need more time for feasibility studies compared to those in Tiers 1 and 2.

The observations commonly applied to all three tiers as follows:

1. The ratio of the infrastructure projects reaching the operation stage is relatively high in special economic zone (SEZ) projects.

2. About half of the road and power projects have moved into the construction or operation stage. Power projects have also achieved good progress because these have attracted investment successfully and are relatively easy to implement.

3. Many railway projects stopped at the feasibility study stage. The main reasons for this are the time-consuming process of acquiring land resulting from having to deal with numerous landowners, and the difficult financial arrangements due to large capital investment and the long project period. However, the fast realisation of urban railways under the strong initiative of municipal/regional governments is needed to mitigate severe traffic congestion in some metropolitan cities.
4. Some infrastructure projects encountered land acquisition problems. Some power projects were frozen because of the strong claim of residents of negative environmental impact on the surrounding areas.

Although East Asia has been making substantial progress in implementing CADP projects, public–private partnerships (PPPs) have not been well implemented in East Asia. Based on the observation that 25 percent of CADP projects can be implemented in the PPP framework, the utilisation of private funds should have a substantial impact on the total picture of infrastructure development. The development of a legal framework as well as knowledge and capacity enhancement of relevant parties is very much encouraged in East Asia.

5-1-2. Representative projects in the operation stage

To exemplify the progress of infrastructure projects, representative operation-stage projects were selected from the CADP project list and mapped out in Figure 5.1.4. As Figure 5.1.3 shows, steady progress of infrastructure development occurs in the Extended Mekong Subregion than other regions. Also many of these representative operation-stage projects have been operationalised in the Extended Mekong Subregion, especially along the economic corridors.

The representative operation-stage projects in Tier 1 contain enhancement of urban transport and connectivity with suburban and provincial cities implemented in fast-growing capital areas such as Bangkok, Ha Noi, and Kuala Lumpur. Urbanisation requires developing and enhancing the urban transport system, including access roads to international airports and outer ring roads.

In Bangkok, the Bangkok MRT Green Line extension (WongwianYai–Bangwa) was completed in 2013 while construction of new lines and extension of existing lines are also being planned. Kuala Lumpur International Airport (KLIA) enhanced its capacity to meet the sharp increase of passengers of low-cost carriers. The construction of a new terminal (KLIA2) was completed for public use in May 2014.
Figure 5.1.2. Status of CADP Project Implementation, by tier

Source: ERIA CADP research team.
New city development is a radical step towards taking advantage of knowledge spillover and other positive agglomeration effects and mitigating congestion and other costs of urbanisation. A case in South India is the development of Sri City, an integrated business city spread over 100 square kilometres (km$^2$) located 55 km north of Chennai.
The city is well equipped with living, educational and recreational facilities to accommodate talents. The city also provides business facilities including a SEZ for export-oriented business, a domestic tariff zone for domestic demand-oriented businesses, and a better access to business and commercial services and facilities in Chennai.

The exemplified operation-stage projects in Ha Noi (Tier 1) are outlined as follows:

**Nhat Tan Bridge in Ha Noi (Japan–Viet Nam Friendship Bridge).** The bridge, with a total length of 3,755 metres (m), goes over Hong River, of which the cable-stayed bridge portion covers 1,500 m, marking the longest in Southeast Asia. It will be connected to National Road No. 3 to form part of the main artery from Ha Noi to the China border, passing by Noi Bai International Airport. With this bridge and the new route, driving time between the airport and central Ha Noi was shortened by 20–30 minutes, and driving condition improved.

**Noi Bai International Airport Terminal 2 Construction in Ha Noi.** The second passenger terminal building in the existing Noi Bai International Airport was constructed using Yen Credit. Construction started in February 2012 and was completed in December 2014, after 34 months. By constructing this terminal, the annual capacity of the international airport, combined with the existing terminal capacity, increased from 6 million passengers to a maximum of 16 million.

**Vinh Thinh Bridge in Ha Noi.** This 5,487-metre-long cross-river bridge that links Ha Noi to Vinh Phuc Province in the north opened in June 2014. The construction cost was mostly covered by official development assistance loans from South Korea. The four-lane bridge creates a transportation network linking the capital with the north-western provinces of Vinh Phuc, Phu Tho, Yen Bai, Tuyen Quang, and Lao Cai (and Yunnan province of China) as well as easing traffic congestion on some roads in the capital area.

The representative operation-stage projects in Tier 2 shown in Figure 5.1.4 will enhance transport connectivity with the main industrial districts and urban areas.

**Neak Loeung Bridge in Cambodia.** This bridge was built over the Mekong River along Asian Highway 1 (AH1), which is the major route of the Southern Economic Corridor linking Ho Chi Minh City and Bangkok. The bridge itself is 2,215 m long; the total length, including the attached access roads, is 5,460 m. Up until the completion of its construction in April 2015, the missing link in the Southern Economic Corridor used to force people to take a few hours, including waiting time, to cross the river by a ferry boat. A simulation
based on the ERIA/IDE geographical simulation model (GSM) estimated positive economic impacts of the bridge not only on Cambodia but also on other neighbouring countries (i.e. Cambodia: 1.104 percent increase in GDP compared with the baseline case, Viet Nam: 0.097 percent, Lao PDR: 0.063 percent, Thailand: 0.012 percent) (ERIA 2010:93).

**Rehabilitation of Roads and Bridges.** In Cambodia, many projects to improve and rehabilitate national roads have been undertaken with international and bilateral assistance such as from the World Bank, Asian Development Bank, Japan, China, Korea, Thailand, and other countries. In Lao PDR, a 58.1-kilometre-long section of the 240 km National Road No. 9 along the East–West Economic Corridor (EWEC) is rehabilitated with the financial support of a Japanese grant programme. The most damaged section (total length of 58.1 km) of National Road No. 9 (with 2 lane/9m width) was repaired by removing the lower and the surface layers based on the new pavement design. The project was completed in March 2015.

**Fourth Friendship Bridge between Lao PDR and Thailand.** The construction of the Fourth Friendship Bridge over Mekong River at the Lao–Thai border on the North–South Economic Corridor was completed in December 2013 with the grant programme from the governments of Thailand and China. This new bridge is expected to contribute to the enhancement of connectivity between Kunming, Yunnan Province of China, and Thailand through Lao PDR, and mitigate poverty in the border region.

**Medan New Airport (Kuala Namu Airport) Construction.** The Kuala Namu International Airport is a newly constructed international airport, named after its location at Kuala Namu, Deli Serdang, North Sumatra, Indonesia, 39 km from Medan, replacing the Polonia International Airport. The airport is expected to become the new international transit centre in Sumatra and the western part of Indonesia, which is the second largest airport after Soekarno–Hatta International Airport but the first airport that has a direct rail link to Medan city, the capital of North Sumatra. It is part of the central government’s programme under the ‘Masterplan to Accelerate and Expand Economic Development in Indonesia’ (MP3EI) and one of the strategies for the ASEAN Single Aviation Market (ASEAN-SAM), an open skies policy among member-countries in Southeast Asia starting 2015. The airport was opened to the public on 25 July 2013, handling all flights and services shifted from Polonia International Airport.
Two representative operation-stage projects in Tier 3 are shown in Figure 5.1.4, both of which make better use of locally available resources in less-industrialised provincial areas.

**Luang Prabang Airport Improvement (Lao PDR).** The construction of a 2,900 m length/45 m width runway and 9,800 m² new terminal building became necessary with the anticipation of a drastic increase of tourists due to the designation of Luang Prabang as a UNESCO World Heritage Site. This improvement project increased the annual passengers’ capacity of the airport from 300,000 to 1 million, the second largest in Lao PDR. This project was implemented and completed in June 2014 through a soft loan from the Chinese government.

**Lahendong Geothermal Power Station (Units III and IV) (Indonesia).** The Lahendong geothermal power plant is situated in Tomohon, North Sulawesi, about 30 km south of the province’s capital city Manado. Its Unit III has been operated since 2009 and Unit IV, since 2013. Each capacity is 20 MW.

*Figure 5.1.4. Representative Operation Stage Projects of CADP*
5-2. Soft Infrastructure

As discussed in Chapter 7 on the quantitative assessment on hard and soft infrastructure development using the Geographical Simulation Analysis of CADP2.0, in particular Table 7.2, the development of soft infrastructure has an economic impact equivalent to hard infrastructure development. Thus, it is important to review the recent progress of soft infrastructure development to consider policy issues to be discussed in CADP 2.0. As the first version of CADP emphasised mainly infrastructure for connectivity, the discussion in this subsection focuses on soft infrastructure related mainly to trade and transport facilitation.

5-2.1. Legal Instrument related to the ASEAN Economic Community and Master Plan on ASEAN Connectivity

Soft infrastructure is a key foundation that complements physical infrastructure to transform ASEAN into a single market and production base. The first version of the CADP demonstrates that the development of hard and soft infrastructure can remove bottlenecks for industrialisation in East Asia. The Master Plan on ASEAN Connectivity (MPAC), which the ASEAN Member States adopted on the occasion of the 17th ASEAN Summit in 2010, also emphasises the importance of upgrading soft infrastructure or enhancing ‘institutional connectivity’ in addition to physical connectivity and people-to-people connectivity for ASEAN community building.

The key elements of institutional connectivity in the MPAC list include trade liberalisation and facilitation, investment and services liberalisation and facilitation, mutual recognition agreements/arrangements, regional transport agreements, cross-border procedures, and capacity building programmes. These elements are closely linked to initiatives for building the ASEAN Economic Community (AEC).

To achieve these, MPAC encourages ASEAN Member States to taking such actions to:

- Operationalise the three framework agreements on transport facilitation: the ASEAN Framework Agreement on the Facilitation of Goods in Transit (AFAFGIT), ASEAN Framework Agreement on the Facilitation of Inter-State Transport (AFAFIST), and ASEAN Framework Agreement on Multimodal Transport (AFAMT).
• Facilitate inter-state passenger land transportation by implementing the existing bilateral and subregional initiatives like the Cross-Border Transport Agreement (CBTA) under the Greater Mekong Subregion (GMS) and developing a regional ASEAN arrangement.

• Ratify and implement the Multilateral Agreement on the Full Liberalisation of Air Freight Services (MAFLAFS), the Multilateral Agreement on Air Services (MAAS), and the ASEAN Multilateral Agreement on the Full Liberalisation of Passenger Air Services (MAFLPAS).

• Implement the National Single Window (NSW) and the ASEAN Single Window (ASW), together with the reform and modernisation of customs.

Since 2010 when ERIA submitted the original CADP to the 5th East Asia Summit and the ASEAN Member States adopted the MPAC, ASEAN has been making significant progress toward the AEC and the MPAC. As of the beginning of October 2015, ASEAN Member States have signed 173 legal instruments such as agreements, memoranda of understanding, and protocols that related only to AEC building. Of these, only 19 have not entered into force. In other words, ASEAN Member States have already ratified or accepted most of the framework agreements such as AFAFGIT (put into force in October 2000), AFAFIST (December 2011), AFAMT (October 2008), MAFLAFS (October 2009), MAAS (October 2009), and MAFLPAS (June 2011).

Among the 19 legal instruments not in force, three protocols are under the AFAFGIT: (i) Protocol 6 (Railways Border and Interchange Stations), (ii) Protocol 7 (Customs Transit System) signed by the ASEAN Member States on 24 February 2015, and (iii) Protocol 9 (Dangerous Goods). Other pending legal instruments include those related to services liberalisation and movement of people.
Table 5.2.1. Legal Instruments Not In Force

<table>
<thead>
<tr>
<th>Name of Instrument</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>ASEAN Agreement on the Movement of Natural Persons</td>
<td>Phnom Penh 19-Nov-12</td>
</tr>
<tr>
<td>Protocol to Amend the ASEAN Comprehensive Investment Agreement</td>
<td>Nay Pyi Taw 26-Aug-14</td>
</tr>
<tr>
<td>Protocol on the Legal Framework to Implement the ASEAN Single Window (Agreement to Establish and Implement the ASEAN Single Window)</td>
<td>Ha Noi 4-Sep-15</td>
</tr>
<tr>
<td>E-ASEAN Framework Agreement</td>
<td>Singapore 24-Nov-00</td>
</tr>
<tr>
<td>ASEAN Mutual Recognition Arrangement on Tourism Professionals</td>
<td>Bangkok 9-Nov-12</td>
</tr>
<tr>
<td>Protocol 7 Customs Transit System (ASEAN Framework Agreement on the Facilitation of Goods in Transit)</td>
<td>Bangkok 24-Feb-15</td>
</tr>
<tr>
<td>Protocol on Notification Procedures</td>
<td>Makati 7-Oct-98</td>
</tr>
<tr>
<td>ASEAN Framework Agreement on Intellectual Property Cooperation</td>
<td>Bangkok 15-Dec-95</td>
</tr>
<tr>
<td>Protocol to Implement the Second Package of Commitments on Financial Services under the ASEAN Framework Agreements on Services</td>
<td>Yangon 6-Apr-02</td>
</tr>
<tr>
<td>Protocol to Implement the Fourth Package of Commitments under the ASEAN Framework Agreement on Services</td>
<td>Jakarta 3-Sep-04</td>
</tr>
<tr>
<td>Protocol to Implement the Eighth Package of Commitments on Air Transport Services under the ASEAN Framework Agreement on Services</td>
<td>Pakse, Lao PDR 20-Dec-13</td>
</tr>
<tr>
<td>Protocol to Amend the Framework Agreement on Enhancing ASEAN Economic Cooperation</td>
<td>Bangkok 15-Dec-95</td>
</tr>
<tr>
<td>ASEAN Agreement on the Conservation of Nature and Natural Resources</td>
<td>Kuala Lumpur 9-Jul-85</td>
</tr>
<tr>
<td>Basic Agreement on the ASEAN Industrial Complementation</td>
<td>Manila 18-Jun-81</td>
</tr>
<tr>
<td>Protocol to Amend the Agreement on the ASEAN Food Security Reserve</td>
<td>Bangkok 22-Oct-82</td>
</tr>
<tr>
<td>Agreement for the Facilitation of Search for Ships in Distress and Rescue of Survivors of Ship Accidents</td>
<td>Kuala Lumpur 15-May-75</td>
</tr>
<tr>
<td>Agreement for the Facilitation of Search for Aircrafts in Distress and Rescue of Survivors of Aircraft Accidents</td>
<td>Singapore 14-Apr-72</td>
</tr>
</tbody>
</table>

Source: Based on ASEAN Secretariat website database (accessed 6 October 2015).
Among various ASEAN initiatives for AEC building, trade and transport facilitation is one of the crucial initiatives to realise a single market and production base in ASEAN. To facilitate international trade, the agreement to establish and implement the ASW was signed and put into force in 2005. However, ratification of an agreement does not mean the attainment of the agreement’s objectives. Establishment of the ASW necessitates implementation of the NSW that each ASEAN Member State develops. Establishment and implementation of the NSW involves institutional reforms, modernisation, and informatisation of customs administration.

Figure 5.2.1 illustrates the scoring on the implementation of the NSW. The figure shows a big gap in implementation among ASEAN Member States. Singapore, Malaysia, and Thailand had generally completed its implementation of the NSW. On the other hand, Cambodia, Lao PDR, and Myanmar are in the early stage of implementation, while Viet Nam had a significant progress during the period (Intal, 2015).

Figure 5.2.1. Implementation of National Single Window

MY = Myanmar, SG = Singapore.
To realise the NSW and ASW, each member state needs to computerise customs and other procedures for cross-border trade and transportation. Countries advanced in the implementation of the NSW, such as Singapore and Malaysia, have a long history to automate customs and other procedures for trade so that they can develop the NSW based on their own information systems. On the other hand, CLMV countries are still developing or modernising their customs information system.

Cambodia and Lao PDR started using UNCTAD’s Automated System for Customs Data (ASYCUDA) in 2008 and 2011 at the pilot site (Sihanoukville and Lao–Thai Friendship Bridge I, respectively), and then commenced the rollout of the system at other border crossing checkpoints gradually. Viet Nam developed its own NSW, Vietnamese Automated Cargo and port Consolidated System (VNACCS), based on Japan’s Nippon Automated Cargo and port Consolidated System (NACCS) in 2014. Myanmar plans to leapfrog on the NACCS-based modern NSW, Myanmar Automated Cargo and port Consolidated System (MACCS), in 2016.

5.2.3. Subregional and bilateral/trilaterial initiatives for trade and transport facilitation

In addition to the regional initiatives based on the above-mentioned ASEAN framework agreements, ASEAN Member States in the Mekong Subregion have been developing subregional initiatives for trade and transport facilitation based on the CBTA under ADB’s GMS Economic Cooperation Program. Different from the ASEAN’s framework agreements, the CBTA intends to facilitate trade and transport only within the six GMS countries including the five ASEAN Member States (Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam) and China.

The CBTA contains the main agreement, 16 annexes, and three protocols. Although the main agreement was already ratified by the six GMS countries and had come into force, the 19 annexes and protocols had been ratified by only four countries (i.e. China, Cambodia, Lao PDR, and Viet Nam) as of 2014. Thailand has ratified all annexes in 2015 (MFA, 2015). Myanmar has not yet ratified all annexes and protocols. Even so, substantial progress has been made based on bilateral and trilateral agreements or memoranda of understanding (MOUs) (ADB, 2013).

Bilateral agreements set the designated border crossing points and transport routes, technical requirements for vehicles, document requirements, quota for trucks,
and other details for implementation of the agreements. The bilateral MOUs had already been signed between the neighbouring ASEAN Member States in the GMS except Myanmar (i.e. Cambodia–Lao PDR, Cambodia–Thailand, Cambodia–Viet Nam, Lao PDR–Thailand, and Lao PDR–Viet Nam). In addition to the bilateral agreements in the GMS listed in the table, Thailand has an agreement with Malaysia on the transit of perishable goods by road from Thailand (Sadao crossing) through Malaysia (Bukit Kayu Hitam crossing) to Singapore (Sopadang et al., 2015).

Table 5.2.2. Bilateral Agreement between ASEAN Member States in the Greater Mekong Subregion

<table>
<thead>
<tr>
<th>Bilateral Agreement</th>
<th>Notes</th>
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<tbody>
<tr>
<td>Cambodia–Lao PDR</td>
<td>The two countries signed the bilateral agreement on road transportation in 1999 and the subsidiary agreement in 2007. The quota for trucks is set at 40 trucks a year from each country. The sole border checkpoint for cross-border transport is Nong Nokkhien (Champasak Province, Lao PDR)–Trapaeng Kriel (Stung Treng, Cambodia).</td>
</tr>
<tr>
<td>Cambodia–Thailand</td>
<td>The two countries signed the bilateral MOU on the exchange of traffic rights for cross-border transport through the Aranyaprathet–Poipet border crossing points in 2008 and the addendum to the MOU in 2009.</td>
</tr>
<tr>
<td>Cambodia–Viet Nam</td>
<td>The two countries signed the agreement on road transportation in 1998 and the protocol in 2005. The initial quota of 40 vehicles stipulated in the 2005 protocol was increased to 150 in 2009, 300 in 2010, and 500 in 2012. The exchange of traffic rights is implemented at Bavet–Moc Bai and other border crossing points.</td>
</tr>
<tr>
<td>Lao PDR–Thailand</td>
<td>The two countries signed the agreement on road transport in 1999 and the subsidiary agreement in 2001. The agreements cover transport of passengers and goods between the territories of the two countries and through the territory of either country to a third country. They do not cover the transport of dangerous goods.</td>
</tr>
<tr>
<td>Lao PDR–Viet Nam</td>
<td>The two countries signed the agreement on cross-border transport facilitation in 2009 and the subsidiary agreement in 2010.</td>
</tr>
</tbody>
</table>

MOU = memorandum of understanding.
The Lao PDR–Thailand–Viet Nam and Cambodia–Lao PDR–Viet Nam agreements were also signed in 2013 to facilitate cross-border transport of people and goods between and among the contracting parties. The Lao PDR–Thailand–Viet Nam MOU on the initial implementation of the CBTA (IICBTA) allows the properly licensed transport operators to provide international transport services along EWEC through Dan Savan–Lao Bao (Lao PDR–Viet Nam) and Savannakhet–Mukdahan (Lao PDR–Thailand) border crossing points. Currently, the cross-border transport among these three countries is governed by the MOU and its addendum signed in 2013 (Nolintha, 2015).

One recent symbolic achievement for realising the CBTA is the launch of the single window inspection and single stop inspection (SSI) in 2015 at the Dan Savan–Lao Bao border crossing point along the EWEC. The launch of SSI is expected not only to reduce time for exports, imports, and immigration but also to realise harmonised and coherent border controls by the two countries.