MEMORANDUM OF UNDERSTANDING
BETWEEN THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIET NAM AND THE ROYAL GOVERNMENT OF CAMBODIA ON THE INITIAL IMPLEMENTATION AT BAVET, THE KINGDOM OF CAMBODIA AND MOC BAI, THE SOCIALIST REPUBLIC OF VIET NAM OF THE AGREEMENT BETWEEN AND AMONG THE GOVERNMENTS OF THE KINGDOM OF CAMBODIA, THE PEOPLE'S REPUBLIC OF CHINA, THE LAO PEOPLE'S DEMOCRATIC REPUBLIC, THE UNION OF MYANMAR, THE KINGDOM OF THAILAND, AND THE SOCIALIST REPUBLIC OF VIET NAM FOR FACILITATION OF CROSS-BORDER TRANSPORT OF GOODS AND PEOPLE

The Government of the Socialist Republic of Viet Nam and The Royal Government of Cambodia, hereinafter referred to as "the Parties to the Memorandum of Understanding ("MOU")":

Referring to the Agreement Between and Among the Governments of the Lao People's Democratic Republic, the Kingdom of Thailand, and the Socialist Republic of Viet Nam for the Facilitation of Cross-Border Transport of Goods and People, originally signed at Vientiane, Lao People's Democratic Republic on 26 November 1999, amended at Yangon, Myanmar on 29 November 2001, acceded to by the Kingdom of Cambodia at Yangon, Myanmar on 29 November 2001, acceded to by the People's Republic of China (PRC) at Phnom Penh, Cambodia on 3 November 2002, acceded to by the Union of Myanmar at Dali, PRC on 19 September 2003, and amended at Phnom Penh, Cambodia on 30 April 2004, hereinafter referred to as "the Agreement";

Referring to the 12th Greater Mekong Subregion ("GMS") Ministerial Conference held in Dali, PRC in September 2003, where the Governments of the Kingdom of Cambodia, the People's Republic of China, the Lao People's Democratic Republic, the Union of Myanmar, the Kingdom of Thailand, and the Socialist Republic of Viet Nam, cognizant of the expected completion of key subregional transport corridors in the near future, emphasized the importance of the early implementation of the Agreement;

Recognizing that the Agreement entered into force on 31 December 2003 upon ratification/acceptance by all six Contracting Parties to the Agreement;

Referring to the Eighth Meeting of the Subregional Transport Forum held in Phnom Penh, Cambodia in August 2004 where the Governments of the Kingdom of Cambodia, the Lao People's Democratic Republic, the Kingdom of Thailand, and the Socialist Republic of Viet Nam agreed to undertake the initial implementation of the Agreement at the Bavet-Moc Bai, Poipet-Aranyaprathet, Mukdahan-Savannakhet, Dansavanh-Lao Bao, and Hekou-Lao Cai border crossing points;

Recalling that as per Article 37 of the Agreement and the provisions in the Annexes and Protocols on "Conforming National Law", the Contracting Parties to the Agreement have undertaken to conform their national legal regime with the contents of the Agreement and its Annexes and Protocols;

Recognizing that the signing, ratification/acceptance, and entry into force of the Agreement and its Annexes and Protocols do not by themselves guarantee their immediate implementation;

Recognizing that some Annexes and Protocols of the Agreement have yet to be ratified/accepted, and, consequently, interim measures should be undertaken to allow early and initial implementation of the Agreement until such time that these Annexes and Protocols are ratified;

Referring to Agreement Between the Royal Government of Cambodia and the Government of the Socialist Republic of Viet Nam on Road Transport signed at Hanoi, Viet Nam on 1 June 1998 ("Bilateral Road Transport Agreement"), which aims at facilitating the cross-border transport of goods and people between the two countries and could be adopted, as appropriate, as well as other bilateral agreements between the two Parties to the MOU and international and multilateral agreements or conventions to which the two Parties to the MOU are contracting parties, in the areas of customs, immigration, and quarantine[1] to provide interim measures to allow early and initial implementation of the Agreement until such time that all the Annexes and Protocols of the Agreement enter into force;

Referring to Article 5(c) of Annex 4 of the Agreement calling expressly for the implementation of single-stop customs inspection procedure through a bilateral Memorandum of Understanding between the bordering country pairs, in order to specify the modality; and

Recognizing that this Memorandum of Understanding will commit the Parties to the MOU to undertake a time-bound initial implementation of the Agreement;

HAVE AGREED AS FOLLOWS:

The Parties to the MOU commit themselves to the following implementation measures and deliverables with respect to the Agreement and its Annexes and Protocols:

A. Concerning Part II of the Agreement on Facilitation of Border Crossing Formalities

A1. Concerning Article 4(a) of the Agreement and Article 4 of Annex 4 (Single-Window Inspection) and Article 4(b) of the Agreement and Article 5 of Annex 4 (Single-Stop Customs Inspection)

The Parties to the MOU shall:

(i) adopt single-window inspection at the Bavet-Moc Bai border crossing points by simultaneous performance of duties by the respective Competent Authorities at the Bavet-Moc Bai border crossing points, commencing no later than 30 September 2006 according to the specific procedures appended in Attachment 1 of this MOU;

(ii) as called for in Article 5 of Annex 4 of the Agreement, adopt single-stop customs inspection at the Bavet-Moc Bai border crossing points, commencing no later than 30 September 2006 based on the following agreed modality: **a combination of joint and simultaneous inspection in common control areas at separate facilities and performance in foreign territory** (specific procedures are appended in Attachment 1 of this MOU); and

[1] Includes public health, plant health, and animal health.

(iii) for the Bavet-Moc Bai border crossing points, consider this MOU to fulfill the requirement of Article 5 (c) of Annex 4 of the Agreement.

A2. Concerning Article 4(c) of the Agreement and Article 3(b) of Annex 4 (Coordination of Hours of Operation and Related Issues)

The Parties to the MOU shall:

(i) continue to coordinate the operating hours at the Bavet and Moc Bai border crossing points between 0600 hours and 1800 hours seven days a week, including holidays; and

(ii) implement round-the-clock operation at the Bavet and Moc Bai border crossing points, by opening on request when a notice has been sent in advance, so as to assure clearance outside normal business working hours or otherwise, according to the procedures appended in Attachment 2 of this MOU, **commencing no later than** 30 September 2006.

A3. Concerning Article 4(d) of the Agreement and Article 8 of Annex 4 (Advance Exchange of Information and Clearance)

The Parties to the MOU shall:

(i) cooperate with each other to allow for advance exchange of information as a preliminary step to the development of pre-arrival processing and clearance of goods and people, **commencing no later than** 30 September 2006 and

(ii) dispatch the relevant border crossing documents to the authorities of the other Party to the MOU, using all appropriate means of communication (e.g., courier, mail, facsimile, telex, electronic means), **commencing no later than** 30 September 2006;

A4. Concerning Article 6 of Annex 4 (Harmonization, Simplification, and Language of Documents), Article 7 of Annex 4 (Exchange of Information), Annex 15 (Commodity Classification System), and Articles 4 (Facilitation of Border Crossing Formalities), 31 (Transparency of Legislation, Regulation and Status of Infrastructure), and 35 of the Agreement (Documentation and Procedures)

Each Party to the MOU shall:

(i) jointly conduct a review and execute a comparative survey of the documents, procedures, and formalities relating to the Bavet-Moc Bai border crossing points, and evaluate their absolute necessity, **and complete these actions by** 30 September 2006;

(ii) provide an information sheet in the English language listing all the formalities, procedures, and documents (possibly according to different cases) required for border crossing (as if it were intended for use by the commercial truck/bus driver), to the authorities of the other Party to the MOU, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications and/or other forms of media, commencing no later than 30 September 2006 and provide any subsequent amendments to the information sheet to the authorities of the other Party to the MOU, within **four weeks** of such amendments;

(iii) limit and/or reduce and eliminate the number and extent of the procedures and documents required for border crossing formalities as much as possible, **no later than** 30 September 2007;

(iv) harmonize the declaration/clearance documents mindful of related developments under the Association of Southeast Asian Nations ("ASEAN") Customs Integration initiative and the World Customs Organization data model, and taking into account the outcome of the review and comparative survey called for in item (i) above;

(v) continue to conform all measurements with SI Units (the International System of Modern Metric Units)

(vi) continue to implement the Harmonized Commodity Description and Coding System ("Harmonized System" or "HS"), and any subsequent amendment(s) of the HS; and

(vii) continue to align, in the case of Cambodia, documents to the UN Lay-Out Key for Trade Documents, inserting an English translation, and provide that reference be made to the English-language version in the event of a difference in meaning, and in the case of Viet Nam **no later than** 30 September 2006 .

A5. Concerning Article 9 of Annex 4 (Priority Order of Border Crossing Clearance)

The Parties to the MOU shall:

implement priority order of border clearance in accordance with Article 9 of Annex 4 of the Agreement, **commencing no later than** 30 September 2006

A6. Concerning Article 10 of Annex 4 (Reduction of Routine Exhaustive Physical Inspection Practice)

The Parties to the MOU shall:

(i) implement risk management techniques at the Bavet-Moc Bai border crossing points (including, e.g., selectivity in cargo inspection based on established risk indicators, pre- or post-entry inspections/clearance systems) in accordance with Article 10 of Annex 4 of the Agreement, **commencing no later than** 30 September 2006 ;

(ii) strengthen their respective risk management systems at the Bavet-Moc Bai border crossing points in line with international best practices; and

(iii) jointly carry out a "before and after" study of border crossing times at the Bavet-Moc Bai border crossing points that will be used in monitoring the effectiveness of cross-border facilitation measures, with completion of the "before" study **no later than** 30 September 2006 and completion of the "after" study **no later** 30 September 2007 and continue to undertake annual monitoring.

A7. Concerning Article 3 (d) and Article 11 of Annex 4 (Availability of Required Facilities and Personnel) and Annex 12 (Border Crossing and Transit Facilities and Services)

The Parties to the MOU shall:

provide facilities, equipment (both ICT and non-ICT, e.g., computers, telecommunications, equipment for machine reading of passports, X-ray scanner machine for goods and container inspection, automatic vehicle identification/license plate readers, bar code readers for other documents), and personnel required for modern border management at the Bavet-Moc Bai border crossing points, taking into account (a) existing and anticipated type and volume of cross-border trade, (b) implementation of risk management techniques, (c) where applicable, compatibility with the equipment of the neighboring country for transfer and sharing of information, and (d) relevant international standards and protocols.

B. Concerning Part III of the Agreement on Cross-Border Movement of People[2]

B1. Visas

Each Party to the MOU shall:

(i) continue to update and disseminate information in the English language through the Embassies/Consulates and internet (for Cambodia, http://www.interior.gov.kh), and for Viet Nam, http://www.mofa.gov.vn) on location(s) where visas can be applied for and obtained, conditions, required documents to support the application, cost, time required for issuance, and period of validity;

(ii) continue to issue single/multiple entry/exit visas for drivers and crew members of commercially operated motor vehicles and people who are nationals of the other Contracting Parties of the Agreement, carry a passport, and are subject to visa requirements; and

(iii) continue to implement the border pass regime at the Bavet-Moc Bai border crossing points.

B2. Health Inspection

Each Party to the MOU shall:

(i) continue to comply with the International Health Regulations, and the Code of Practice of the World Health Organization (WHO);

(ii) disseminate in the English language updated information on applicable laws and regulations regarding public health to the ministry of health of the other Party to the MOU, which in turn will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, including internet (e.g., in the case of Viet Nam, through the website of the Ministry of Health at http://www.moh.gov.vn), **commencing no later than** 30 September 2006;

(iii) continue to exempt from health inspection, travelers who carry the prescribed WHO documents, who did not originate from a quarantined and/or an infected (dangerous communicable diseases) area, and who do not show any external symptoms or acute infections from routine health medical checks, inspections, or examinations; and

[2] Since Annex 5 on the Cross-Border Movement of People has not been finalized, the subsections under B do not refer to specific annex articles.

(iv) when a traveler is upon medical examination found to be infected with a quarantine disease and/or a dangerous communicable disease, offer appropriate medical care and treatment in isolation/quarantine to the individual, and notify promptly the WHO and the ministry of health of the other Party to the MOU via the appropriate channels in accordance with applicable rules, **commencing no later than** 30 September 2006;

B3. Customs Control: Duty-Free Allowance

Each Party to the MOU shall:

(i) exempt from customs duties and taxes, personal effects carried by private persons (e.g., clothes and necessities for personal hygiene in reasonable quantities, luggage, currency for living expenses), **within six months** following the entry into force between the Parties to the MOU of Annex 5 of the Agreement; and

(ii) in the interim, continue to exempt from customs duties and taxes, personal effects carried by private persons (e.g., clothes and necessities for personal hygiene in reasonable quantities, luggage, currency for living expenses), within the limits prescribed by national laws or regulations.

B4. Transport Conditions

The Parties to the MOU shall:

(i) provide cross-border passenger transport services (e.g., bus) between their territories in accordance with Annex 5 and Protocol 3 of the Agreement, **within six months following the later of the dates of entry into force of Annex 5 and Protocol 3 between the Parties to the MOU**, and, in the interim, in accordance with the Bilateral Road Transport Agreement, **commencing no later than** 31 May 2006,

(ii) implement the regime for carrier liability for death and bodily injury of the passenger and damage to or loss of luggage in accordance with Annex 5 of the Agreement, **within six months following the entry into force of Annex 5 between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement**, and in the interim, apply existing national laws and regulations governing carrier liability.

C. Concerning Part IV of the Agreement on Cross-Border Transport of Goods

C1. Concerning Article 7 (Exemption from Physical Customs Inspection, Bond Deposit, and Escort) and Annex 6 (Transit and Inland Customs Clearance Regime)[3]

The Parties to the MOU shall:

[3] Actions to be spelled out in more detail after agreement on Annex 6. Interim measures, where necessary, to implement Article 7 of the Agreement shall be adopted until Annex 6 is ratified by the Parties to the MOU, after which provisions of Annex 6 shall take effect.

(i) continue to exempt sealed cargoes in international transit from (a) routine physical customs inspection at the border, and (b) customs escorts in the national territory;

(ii) exempt sealed cargoes in international transit from the deposit of a bond as a guarantee for customs duties, **commencing no later than** 30 September 2006.

(iii) exempt from sanitary or other inspection transit cargo without risk for contamination or other risks to safety for the transit country, and without prejudice to necessary disinfection treatment and supervision of means of transport, **commencing no later than 30 September 2006**

(iv) recognize issuing/guaranteeing organizations/institutions approved by other Contracting Parties of the Agreement to provide guarantees for cargo in transit in the territories of the Parties to the MOU, **within 12 months following the entry into force of Annex 6** of the Agreement between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement;

(v) authorize relevant organization(s)/institution(s) to provide the necessary guarantee(s) for goods in transit in accordance with the relevant provisions of Annex 6 of the Agreement, **within 12 months following the entry into force of Annex 6** between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement; and

(vi) take other actions necessary to establish the transit and inland customs clearance regime called for in Annex 6, **within six months following the entry into force of Annex 6** of the Agreement between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement.

C2. Concerning Article 8 (Transit Traffic) and Protocol 2 (Charges Concerning Transit Traffic)

Each Party to the MOU shall:

(i) grant freedom of transit through its territory for transit traffic to or from the territory of the Contracting Parties of the Agreement, **commencing no later than** 30 September 2006

(ii) continue to exempt goods in transit from any customs duties and taxes; and

(iii) levy charges relating to transit traffic other than customs duties and taxes, **within six months following the entry into force of Protocol 2** of the Agreement between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement, and execute the levying of charges in two steps: (a) Step 1 in which charges concerning transit traffic other than customs duties and taxes shall be levied as determined by Protocol 2, and (b) Step 2, in which charges levied on transit traffic shall only be cost related.

C3. Concerning Article 9 (Phytosanitary and Veterinary Inspection)

Each Party to the MOU shall:

(i) continue to comply with international agreements related to the regulations of the World Health Organization (WHO), Food and Agriculture Organization (FAO), International Plant Protection Convention, Codex Alimetarius Commission, the

Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), and Office International des Epizooties (OIE, the World Organization for Animal Health) in applying inspection of goods crossing the border; and

(ii) continue to disseminate their updated national SPS (sanitary and phytosanitary) laws and regulations through the internet (for Cambodia, on the website of the Camcontrol, http://www.camcontrol.kh, and on the website of the Ministry of Agriculture, Forestry and Fisheries, http://www.maff.gov.kh, and for Viet Nam, http://www.mard.gov.vn and http://www.ppd.gov.vn), local newspapers, periodic publications, and/or other forms of media in the English language;

C4. Concerning Article 10 (Special Regimes for the Transport of Particular Categories of Goods), Annex 1 (Carriage of Dangerous Goods), and Annex 3 (Carriage of Perishable Goods)

Each Party to the MOU shall:

(i) continue to assign dangerous goods to classes/divisions in accordance with the substantive provisions of Part 2 of the United Nations Recommendations on the Transport of Dangerous Goods/Model Regulations and/or the European Agreement Concerning the International Carriage of Dangerous Goods by Road (ADR) in the case of Viet Nam, and **commencing no later than** 30 September 2006 in the case of Cambodia;

(ii) permit the entry of dangerous goods into its territory in accordance with Annex 1 of the Agreement, **within three months following the entry into force of Annex 1** between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement, and in the interim, on a case-by-case basis, subject to the approval of its Competent Authority(ies);

(iii) grant perishable goods a priority border crossing clearance regime as called for by Article 9 of Annex 4 of the Agreement, and in accordance with Article 2 of Annex 3 of the Agreement, **within six months following the entry into force of Annex 3 between the Parties to the MOU**, and in the interim, grant priority border crossing clearance for perishable goods listed in Attachment 3 of the MOU, **commencing no later than** 30 September 2006 and

(iv) implement recommended standards for the carriage of perishable goods (e.g., foodstuffs and non-foodstuffs, livestock, and live plants), **within 12 months following the entry into force of Annex 3** of the Agreement between the Parties to the MOU.

D. Concerning Part V of the Agreement on Requirements for the Admittance of Road Vehicles

D1. Concerning Article 12 (Registration) and Annex 2 (Registration of Vehicles in International Traffic), Article 13 (Technical Requirements), and Article 14 (Recognition of Technical Inspection Certificates)

Each Party to the MOU shall:

(i) continue to have its motor vehicle registration plate and motor vehicle registration certificate in accordance with the requirements of Annex 2 of the Agreement;

(ii) communicate a sample/model of the vehicle registration certificate, registration plate, and inspection certificate to the other Party to the MOU (e.g., by providing a tangible example, posting on the Internet), **within three months following its ratification/acceptance of Annex 2** of the Agreement;

(iii) continue to mutually recognize the inspection certificate for commercial vehicles of the other Party to the MOU in line with the provisions of the relevant ASEAN agreements/protocols, and mutually recognize the vehicle registration certificate, registration plate, and inspection certificate of the other Party to the MOU in accordance with Annex 2 of the Agreement **within three months following the entry into force of Annex 2** between the Parties to the MOU; and

(iv) disseminate updated information on the Host Country weight, axle load, and dimensions standards for vehicles through the internet (for Cambodia, http://www.mpwt.gov.kh, and for Viet Nam, http://www.mt.gov.vn) and to the transport ministry of the other Party to the MOU, in the English language, **within three months following its ratification/acceptance of Annex 2** of the Agreement, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media.

D2. Concerning Article 15 and Annex 7 (Road Traffic Regulations and Signage), and Article 26 (Road Signs and Signals)

Each Party to the MOU shall:

(i) bring their road traffic regulations and signage along its respective sections of the Southern Economic Corridor (Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau Road) as listed in Attachment 1 of Protocol 1 of the Agreement in line with Annex 7 of the Agreement, **commencing no later than** 31 May 2006 **and to be completed no later than** 31 May 2008 and

(ii) disseminate information on the applicable regulations on road signs and signals, **within three months following its ratification/acceptance of Annex 7** of the Agreement in the English language, through the internet (for Cambodia, http://www.mpwt.gov.kh, and for Viet Nam, http://www.mt.gov.vn) and to the transport ministry of the other Party to the MOU, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, and any modification thereof, **no later than three months following its approval.**

D3. Concerning Article 16 (Compulsory Third-Party Motor Vehicle Liability Insurance)

Each Party to the MOU shall:

(i) disseminate updated information in the English language on compulsory third-party motor vehicle liability insurance requirements to the transport ministry of the other Party to the MOU, which, in turn, will disseminate information to licensed transport

operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, including the internet (e.g., in the case of Viet Nam, through the website of the Ministry of Transport at http://www.mt.gov.vn), **commencing no later** 30 September 2006

(ii) disseminate information in the English language on location(s), the cost, the documents, and time required to apply for third-party motor vehicle liability insurance cover and its period of validity to the transport ministry of the other Party to the MOU, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, including the internet (e.g., in the case of Viet Nam, through the website of the Ministry of Transport at http://www.mt.gov.vn), **commencing no later than** 30 September 2006 and

(iii) continue to make available third-party motor vehicle insurance contracts in the English language.

D4. Concerning Article 17 (Driving Permits) and Annex 16 (Criteria for Driving Licenses)

Each Party to the MOU shall:

(i) continue to ensure that its domestic driving license is in accordance with the requirements of Annex 16 of the Agreement;

(ii) continue to provide the Issuing Authority of the other Party to the MOU with the updated format/model of its domestic driving license, and any amendment thereof, within three months following its approval;

(iii) continue to mutually recognize domestic driving license, and its certified translation, if any, issued by the Issuing Authority of the other Party to the MOU.

D5. Concerning Article 18 and Annex 8[4] (Temporary Importation of Motor Vehicles)

Each Party to the MOU shall:

(i) as an interim measure, grant temporary admission to its territory Motor Vehicles (and the fuel contained in its supply tanks, its lubricants, maintenance supplies, and spare parts in reasonable quantities) registered in the other Party to the MOU, without payment of import duties and taxes and subject to re-exportation in accordance with the Bilateral Road Transport Agreement;

(ii) grant temporary admission to its territory Motor Vehicles (and the fuel contained in its supply tanks, its lubricants, maintenance supplies, and spare parts in reasonable quantities) registered in other Contracting Parties of the Agreement, without payment of import duties and taxes and subject to re-exportation and other

[4] Actions to be spelled out in more detail after agreement on Annex 8. Interim measures, where necessary, to implement Article 18 shall be adopted until Annex 8 is ratified by the Parties to the MOU, after which provisions of Annex 8 shall take effect.

conditions, in accordance with Annex 8 of the Agreement, **within 12 months** following the entry into force of Annex 8 between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement;

(iii) recognize issuing/guaranteeing organizations/institutions approved by other Contracting Parties of the Agreement to provide guarantees for temporarily admitted Motor Vehicles (and the fuel contained in its supply tanks, its lubricants, maintenance supplies, and spare parts in reasonable quantities) in the territories of the Parties to the MOU, **commencing no later than 12 months following the entry into force of Annex 8** of the Agreement between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement;

(iv) authorize relevant organization(s)/institution(s) to provide the necessary guarantee(s) for temporarily admitted Motor Vehicles in accordance with the relevant provisions of Annex 8 of the Agreement, **within 12 months following the entry into force of Annex 8** between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement; and

(v) take other actions necessary to establish a regime for temporary importation of Motor Vehicles called for in Annex 8 of the Agreement, **within six months following the entry into force of Annex 8** between and among the Parties to the MOU and other relevant Contracting Parties of the Agreement.

E. Concerning Part VI of the Agreement: Exchange of Commercial Traffic Rights

E1. Concerning Article 19 (Traffic Rights), Article 22 (Market Access), Article 23 (Free Market for Transport Services), and Protocol 3 (Frequency and Capacity of Services and Issuance of Quotas and Permits)

The Parties to the MOU shall:

(i) commence the authorization of traffic rights **within six months following the entry into force of Protocol 3** of the Agreement between and among the Parties to the MOU and the relevant Contracting Parties of the Agreement, in two steps: (a) subject to the conditions set out in Part VI of the Agreement, allow transport operators established in one Contracting Party of the Agreement to undertake: transit through the other Contracting Parties of the Agreement; inbound into another Contracting Party of the Agreement; and outbound from another Contracting Party of the Agreement (Article 19, Step 1); and (b) according to free market principles, allow transport operators established in one Contracting Party of the Agreement to undertake transport operations into, from, or across the territory of other Contracting Parties of the Agreement (Article 19, Step 2) (cabotage shall, however, be permitted on the basis of a special authorization from the Host Country);

(ii) allow any transport operator of a Contracting Party of the Agreement properly licensed for cross-border transport operations in its Home Country according to the criteria set out in Annex 9 of the Agreement (i.e., substantial ownership by national citizens, reliability, professional competence, financial solvency) to undertake cross-border transport operations under the Agreement, **within six months following the entry into force of Annex 9** between and among the Parties to the MOU and the relevant Contracting Parties of the Agreement; in the interim, allow any transport operator in one of the Parties to the MOU, properly licensed for cross-border transport operations in its Home Country, to undertake cross-border

transport operations in the Host Country, in accordance with the Bilateral Road Transport Agreement, **commencing no later than** 31 May 2006;

(iii) allow transport operators engaged in cross-border transport operations to establish representative offices in the Host Country for the purpose of facilitating their transport operations, **within six months following the entry into force of Annex 9** of the Agreement between and among the Parties to the MOU and the relevant Contracting Parties of the Agreement; and

(iv) authorize transport operation in accordance with Article 23 of the Agreement and Protocol 3 of the Agreement, **within six months following the entry into force of Protocol 3** between the Parties to the MOU.

E2. Concerning Article 20 (Designation of Routes and Points of Entry and Exit (Border Crossings)) and Protocol 1 (Designation of Corridors, Routes, and Points of Entry and Exit (Border Crossings)) as well as Article 31 (Transparency of Legislation, Regulation and Status of Infrastructure)

Each Party to the MOU shall:

(i) disseminate updated information concerning its respective sections of the Southern Economic Corridor (Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau Road) as listed in Attachment 1 of Protocol 1 of the Agreement (e.g., detailed information on the condition, technical specifications, and roadside equipment, especially the location of emergency communication systems and service facilities and rest areas) and information on the completion of subsequent major construction works, through the internet (for Cambodia, http://www.mpwt.gov.kh, and for Viet Nam, http://www.mt.gov.vn) and to the transport ministry of the other Party to the MOU, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, **within six months following its ratification/acceptance of Protocol 1**; and

(ii) disseminate information on completed and planned significant construction works at the Bavet-Moc Bai border crossing points and along its respective sections of the Southern Economic Corridor (Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau Road) corridor through the internet (for Cambodia, http://www.mpwt.gov.kh, and for Viet Nam, http://www.mt.gov.vn) and to the transport ministry of the other Party to the MOU, which, in turn, will disseminate information to licensed transport operators engaged in cross-border transport operations and the general public through local newspapers, periodic publications, and/or other forms of media, within **three months** following the announcement of completed and planned construction works, **commencing no later than** 31 May 2006.

E3. Concerning Article 21 (Licensing of the Transport Operator (Access to the Profession)) and Annex 9 (Criteria for Licensing Transport Operators for Cross-Border Transport Operations)

Each Party to the MOU shall:

(i) bring its regime for the licensing of transport operators in line with the requirements of Annex 9 of the Agreement, **within six months following the entry into force of Annex 9** between the Parties to the MOU; and

(ii) communicate at least annually the register of licensed transport operators to the other Party to the MOU, **within six months following the entry into force of Annex 9** of the Agreement between the Parties to the MOU.

E4. Concerning Article 24 (Pricing and Conditions of Transport) and Annex 10 (Conditions of Transport)

Each Party to the MOU shall:

(i) continue to have the price setting for its cross-border transport services determined by market forces; and

(ii) bring its regime for pricing and conditions of transport in line with the requirements of Annexes 5 and 10 of the Agreement, **within six months following the later of the dates of the entry into force of Annexes 5 and 10** between the Parties to the MOU.

F. Concerning Part VII of the Agreement on Infrastructure[5]

Each Party to the MOU shall:

carry out construction/reconstruction work for the roads and bridges in its country along the Southern Economic Corridor (Bangkok-Phnom Penh-Ho Chi Minh City-Vung Tau Road) as listed in Attachment 1 of Protocol 1 of the Agreement, in accordance with the minimum standards and specifications set out in Annex 11 of the Agreement.

G. Concerning Part VIII of the Agreement on Institutional Framework

The Parties to the MOU shall:

(i) through their respective National Transport Facilitation Committees[6], coordinate the implementation of the Agreement and its Annexes and Protocols at the Bavet-Moc Bai border crossing points, including the holding of bilateral meetings between respective members to monitor progress of implementation, as required, but at least annually, **commencing no later than** 30 September 2006 and

(ii) ensure that their respective Competent Authorities at the Bavet-Moc Bai border crossing points hold bilateral coordination meetings, as required, but at least **quarterly**, to (a) monitor progress of implementation of the Agreement and its Annexes and Protocols, and the MOU, (b) discuss issues related thereto, (c) if necessary, bring any outstanding issues to the attention of their respective National Transport Facilitation Committees for resolution, and (d) settle dispute(s) on the

[5] Article 26 (Road Signs and Signals) is covered in relation to Article 15 on Road Traffic Regulation and Signage of Part V (Requirements for the Admittance of Motor Vehicles). Article 27 (Border Crossing Facilities) is covered under Article 4 and Part II (Facilitation of Border Crossing Formalities).

[6] In the case of the Royal Government of Cambodia, the National Transit Transport Coordinating Committee.

interpretation or application of the Agreement in accordance with Articles 29 (b) and 42 of the Agreement, **commencing no later than** 30 September 2006

H. Concerning Part IX of the Agreement Setting Out Miscellaneous Provisions[7] and Part X of the Agreement Setting Out Final Provisions

H1. Concerning Article 31 (Transparency of Legislation, Regulation and Status of Infrastructure)

Each Party to the MOU shall:

(i) **continue** to disseminate the Agreement in its respective country (e.g., via official journal, public website, general circulation newspapers, specialized business/trade periodicals, other publications); disseminate the Annexes and Protocols of the Agreement no later than **six months** following their ratification/acceptance; and disseminate the MOU no later than **three months** following its signing; and

(ii) make available a comprehensive brochure on the existing domestic laws, regulations, procedures, processes, formalities, documents, practices, etc., that affect cross-border transport of goods and people, in the English language, to foreign traders, businessmen, transport operators, and the general public through local newspapers, periodic publications, and/or other forms of media, within **six months** from the signing of the MOU, and for new laws, regulations, procedures, processes, formalities, documents, practices, etc., within **six months** from their adoption.

H2. Concerning Article 32 (Nondiscriminatory Treatment)

The Parties to the MOU shall:

instruct their relevant agencies at the Bavet-Moc Bai border crossing points against discriminatory behavior/treatment in relation to the cross-border transport of goods and people, and provide means for reporting complaints on discriminatory treatment to their relevant Competent Authorities, **no later than** 30 September 2006

H3. Concerning Article 33 (Assistance in the Case of Traffic Accidents)

Each Party to the MOU shall:

(i) assist in case of traffic accident(s) involving foreign drivers, operators, vehicles, goods, and/or passengers in its country's territory, and (a) designate the traffic police as a contact point to assist foreign people (drivers, passengers, etc.) and refer such accident(s) to other relevant Competent Authorities in its territory, and (b) reciprocally exchange information on such accident(s) with the other Party to the MOU, **commencing no later than** 31 May 2006;

(ii) disseminate information in the English language on its designated contact points for traffic accidents through appropriate forms of media, **commencing no later than** 31 May 2006 and any changes thereon immediately; and

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[7] Article 35 (Documentation and Procedures), except for paragraph (iv), is covered in relation to Part II (Facilitation of Frontier Crossing Formalities).

(iii) staff the contact points with personnel proficient in English and/or the national language of the other Party to the MOU, **commencing no later than 31 May 2006**

H4. Concerning Article 34 (Multimodal Transport), Annex 13a (Multimodal Carrier Liability Regime), Annex 13b (Criteria for Licensing of Multimodal Transport Operators for Cross-Border Transport Operations), and Annex 14 (Container Customs Regime)[8]

Each Party to the MOU shall:

(i) bring its multimodal carrier liability regime in line with the requirements of Annex 13a of the Agreement, **within 12 months following the entry into force of Annex 13a** between the Parties to the MOU;

(ii) bring its regime for licensing of multimodal transport operators in line with the requirements of Annex 13b of the Agreement, **within 12 months following the entry into force of Annex 13b** between the Parties to the MOU;

(iii) periodically communicate its register of licensed multimodal transport operators to the other Party to the MOU, **within six months** following the bringing in line of its regime for licensing of multimodal transport operators with the requirements of Annex 13b of the Agreement, and thereafter on an annual basis; and

(iv) bring its container customs regime in line with the requirements of the Annex 14 of the Agreement, **within six months following the entry into force of Annex 14 between the Parties to the MOU.**

H5. Concerning Article 37 (Conforming National Law)

Each Party to the MOU shall:

(i) where necessary, undertake to conform its relevant national legislation and regulations with the contents of the Agreement;

(ii) where necessary, undertake to conform its relevant national legislation and regulations with the contents of each Annex or Protocol of the Agreement **within 12 months** following the ratification/acceptance of the Annex or Protocol; and

(iii) conduct training, individually and jointly with the other Party to the MOU, for relevant Competent Authorities at the Bavet-Moc Bai border crossing points on the implementation of the Agreement and its Annexes and Protocols, **within six months** following the signing of the MOU; and

(iv) prepare or revise, as necessary, manuals of procedures for all relevant Competent Authorities, for implementation of the Agreement and its Annexes and Protocols, **within six months following conformance with relevant national legislation and regulations** of the Agreement and its Annexes and Protocols.

I. Other Provisions

I1. Concerning the Implementation of the Bilateral Road Transport Agreement

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The Parties to the MOU shall:

endeavor to ensure the entry into force between them of the Protocol to Implement the Bilateral Road Transport Agreement to enable its implementation by 31 May 2006;

12. Concerning Amendments to the Memorandum of Understanding

The Parties to the MOU may:

propose amendment(s) to the MOU. Such amendment(s) shall be subject to the mutual consent of the Parties to the MOU, and shall be effected by the signing of an addendum to the MOU by the duly authorized representatives of their National Transport Facilitation Committees.

This Memorandum of Understanding becomes effective on the date of its signature, bringing into effect the implementation of the Agreement at the Bavet-Moc Bai border crossing points.

In witness whereof, the undersigned, being duly authorized, have signed this MOU.

Done in Phnom Penh on 6th day of March 2006 in two originals in the English language.

For the Government of the Socialist Republic of Viet Nam

Dao Dinh Binh
Minister
Ministry of Transport

For the Royal Government of Cambodia

Sun Chanthol
Minister
Ministry of Public Works and Transport

List of Attachments

Attachment 1: Procedures for Single-Window and Single-Stop Inspection

Attachment 2: Procedures for Opening of the Border Crossing Points On Request

Attachment 3: List of Perishable Goods for Priority Border Crossing Clearance for the Cross-Border Movement through the Bavet-Moc Bai Border Crossing Points

ATTACHMENT 1: PROCEDURES FOR SINGLE-WINDOW AND SINGLE-STOP INSPECTION

A. Introduction

1. The Parties to the Memorandum of Understanding (MOU) shall adopt single-window inspection (SWI) at the Bavet-Moc Bai border crossing points by simultaneous (or near simultaneous) performance of duties by the respective Competent Authorities (i.e., Customs, Commerce, Immigration, and Quarantine[1]). In addition, the Parties to the MOU shall implement single-stop inspection (SSI) in four steps or stages (see Figures 1 to 4). As a first step (Step 1), the Parties to the MOU shall adopt single-stop inspection (SSI) conducted jointly at the common control area (CCA) in the Country of Entry, commencing no later than **30 September 2006**. Step 2, which will commence no later than **30 September 2007** will build on Step 1 and involve joint processing/clearance of customs documents by customs authorities of the two Parties to the MOU situated in the border checkpoint in the Country of Entry. Step 3, which will commence no later than **31 March 2008** will build on Step 2 and involve joint physical inspection at a CCA as well as joint processing/clearance of documents by the respective quarantine authorities of the two Parties to the MOU at the border checkpoint in the Country of Entry. Finally, Step 4, which will commence no later than **30 September 2008** entails full implementation of SWI and SSI where respective authorities of the two Parties to the MOU, i.e., customs, quarantine, and immigration, jointly discharge their functions (i.e., inspection and processing/clearance of documents) at the border checkpoint in the Country of Entry. Live animals will be inspected jointly and simultaneously by Competent Authorities of the Parties to the MOU in the Country of Exit. The modality is based on a combination of joint and simultaneous inspection at CCAs at separate border checkpoints and performance in foreign territory.

2. The last step (Step 4), which will combine SWI and SSI, is expected to maximize the benefits of increased facilitation of border crossing formalities, and improve governance. Combining SWI and SSI is important as the benefits of SSI in terms of time and cost savings may be lost if multiple inspections are carried out separately by the other authorities involved in border crossing (e.g., quarantine and immigration).

B. General Principles of Single-Window and Single-Stop Inspection

3. The full implementation of SWI and SSI shall adhere to the following broad principles:

(i) people, vehicles and goods shall be subject to border crossing clearance formalities conducted jointly and simultaneously by the respective Competent Authorities of the Parties to the MOU;

(ii) Competent Authorities of the Country of Exit shall jointly with the Competent Authorities of the Country of Entry discharge their duties in the CCA in the Country of Entry;

(iii) only incoming people, vehicles, and goods (except live animals) shall be subject to border crossing clearance formalities jointly and simultaneously undertaken in the Country of Entry by Competent Authorities of the two Parties to the MOU, i.e., people, vehicles and

[1] Public health, plant quarantine, and veterinary authorities.

goods (except live animals) shall be subject to border crossing clearance formalities only in the Country of Entry, and not in the Country of Exit;

(iv) live animals shall be subject to border crossing clearance formalities jointly and simultaneously undertaken in the Country of Exit by Competent Authorities of the two Parties to the MOU, i.e., live animals shall be subject to border crossing clearance formalities only in the Country of Exit, and not in the Country of Entry;

(v) border formalities shall be processed through streamlined and harmonized documents (e.g., immigration and customs declaration forms);

(vi) relevant Competent Authorities shall implement risk management systems and procedures in the conduct of their inspection;

(vii) in order to improve risk assessment and selectivity to reduce the level of inspections, the Competent Authorities shall facilitate, to the extent possible, the provision of information in advance of the arrival of the cargo and vehicles at the border crossing points, leading eventually to pre-arrival processing of cargo;

(viii) sealed goods in transit shall be exempt from physical inspection, except when irregularities are suspected, in which case inspection is performed in the Country of Entry; and

(ix) Competent Authorities shall endeavour to discharge their duties systematically and expeditiously to achieve border crossing clearance times in accordance with agreed upon benchmarks/performance indicators.

C. General Procedures for Combined Single-Window, Single-Stop-Inspection

C.1 Summary of Existing General Procedures for Border Crossing Formalities

4. In general, existing border crossing formalities at the Bavet-Moc Bai border crossing points involve multiple, and, in some cases, independent stops, and take place from 0600-1800 hours, seven days a week, with scheduled closures for lunch. Procedures for border crossing formalities differ and documents required for processing are not harmonized. Construction of new facilities is well advanced on both sides of the border.

5. The general procedures for vehicles and people involved in the export of goods[2] to the Country of Entry are as follows:

(i) the vehicle carrying the goods for export arrives in the Country of Exit border checkpoint;

(ii) the agent/exporter submits the required documents for processing/clearance, which is generally carried out sequentially by customs and other authorities as required in the Country of Exit border checkpoint;

(iii) documents are processed/cleared, and, if necessary, the goods are inspected in the Country of Exit border checkpoint by the customs and other authorities (such as quality and standards, quarantine) - export duties, taxes, and other applicable fees are paid by the exporter/agent to the agency(ies) concerned;

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[2] This could include goods for non-commercial purposes as required by quarantine authorities.

(iv) the driver and crew members undergo immigration departure control and inspection in the Country of Exit border checkpoint, and pay, if necessary, the departure taxes and other charges[3];

(v) as vehicles involved in the transport of goods that are registered in the country of the either of the Parties to the Memorandum of Understanding are not permitted to operate in the other Party's territory, the cargo is manually transferred from the exporting vehicle to a vehicle registered in the Country of Entry; after the cargo is transferred, the exporting vehicle returns empty to the Country of Exit;

(vi) the driver and crew members present their border passes to immigration for inspection, in the Country of Entry border checkpoint;

(vii) pertinent documents are submitted for processing/clearance sequentially by the customs and other authorities in the Country of Entry border checkpoint[4];

(viii) documents, and goods are inspected in the Country of Entry border checkpoint sequentially by the customs, and as required by quality and standards, quarantine, and other agencies - import duties, taxes and other applicable fees are paid by the importer/agent to the agency(ies) concerned; and

(ix) once cleared by the Country of Entry border checkpoint authorities, the vehicle carrying the goods proceeds toward its next destination.

6. The Parties to the Memorandum of Understanding do not permit the international transit of goods through their respective territories, and thus there are no transit procedures in place.

7. **For people (including tourists and visitors), conveyed by commercial[5] (i.e. bus) or non-commercial (i.e. private) vehicles[6]** who are not engaged in the export of goods, and who will exit the territory of one Party to the MOU and enter the territory of the other Party to the MOU, the general procedures are as follows:

(i) the people conveyed by the commercial or non-commercial vehicles arrive in the Country of Exit border checkpoint;

(ii) personal effects and accompanying luggage of passengers and drivers may be inspected by customs, quarantine, and other authorities in the Country of Exit border checkpoint;

(iii) the driver and passengers complete and submit the departure declaration to immigration authorities for control and inspection in the Country of Exit border checkpoint, and pay, if necessary, the departure tax;

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[3] Most truck drivers possess "border passes" that allow them to cross the border with minimum immigration procedures, but they cannot leave the local area.

[4] In some cases the customs documents are submitted in advance of the arrival of the goods.

[5] Currently one bus company is authorized by both Parties to transport passengers between Ho Chi Minh City and Phnom Penh via the Bavet-Moc Bai border crossing. Procedures described are for this operation; all other bus passengers must transfer to a bus registered in the Country of Entry at the border. Generally they walk across the border or are taken by motorcycle taxi (moto-taxi).

[6] Unless special permission has been received, private vehicles cannot be driven into the respective territory of the Parties to the Memorandum of Understanding; thus passengers proceed across the border on foot or moto-taxi.

(iv) once cleared by the Country of Exit border checkpoint authorities, the people conveyed by commercial or non-commercial vehicles proceed to the Country of Entry border checkpoint for inspection;

(v) the driver and passengers who require a visa apply for and receive a "visa on arrival" at the Country of Entry border checkpoint and pay the necessary fees - they then present their arrival declarations to immigration and undergo immigration inspection;

(vi) the driver and passengers undergo customs, and as required health and other agency processing, and their personal effects and accompanying luggage may be subject to physical inspection by customs and other authorities in the Country of Entry border checkpoint; and

(vii) once cleared by the Country of Entry border checkpoint authorities, the people conveyed by commercial or non-commercial vehicles proceed toward their next destination.

C.2 Summary of Proposed General Procedures for Border Crossing Formalities

8. The general procedures for the proposed four-step border crossing formalities involving SWI and SSI are summarized in Figures 1 to 4.

9. For people and vehicles engaged in the export of goods to the Country of Entry, for **Step 1 (no later than 30 September 2006)** (see **Figure 1**), border crossing clearance formalities in the Country of Exit border checkpoint are as in the existing general procedures (see para 5, items (i) to (v)), except that processing and clearance of documents will be conducted in an expeditious and near simultaneous manner still in the Country of Exit border checkpoint by the Competent Authorities, and physical customs inspection will now be performed in the Country of Entry, and no longer in the Country of Exit, except in the case of live animals. Once cleared by the Country of Exit border checkpoint authorities, the vehicle carrying the goods for export proceeds to the Country of Entry border checkpoint for border crossing clearance formalities as follows:

(i) documents are submitted to, and processed by, immigration, quarantine, and customs (and commerce) in an expeditious and near simultaneous manner by authorities of the Country of Entry;

(ii) the driver and crew members undergo immigration inspection, and, if necessary, health inspection in the Country of Entry border checkpoint, and pay the applicable fees;

(iii) if found necessary by Customs Authorities of at least one Party to the MOU, joint and simultaneous physical customs inspection is undertaken in the CCA in the Country of Entry border checkpoint by the customs authorities of the two Parties to the MOU, except in the case of live animals, and import and export duties and other related tariffs are paid by the importer/exporter/driver to the agency(ies) concerned;

(iv) if found necessary, goods are inspected in the Country of Entry border checkpoint by the quarantine authorities, and applicable fees are paid by the importer/driver;

(v) the documents for the vehicle certifying motor vehicle registration, technical inspection, third-party motor vehicle liability insurance, and permit for cross-border transport, and, in some cases, the vehicle are processed/cleared by the Competent Authorities in the Country of Entry border checkpoint; and

(vi) once cleared at the border checkpoint in the Country of Entry, the vehicle carrying the goods proceeds to its next destination.

10. **For people and vehicles engaged in the export of goods** to the Country of Entry, for **Step 2 (no later than 30 September 2007)** (see **Figure 2**), border crossing clearance formalities in the Country of Exit border checkpoint are as in Step 1 above (see para 9) except that submission, processing and clearance of customs documents will take place in the Country of Entry border checkpoint and no longer take place in the Country of Exit border checkpoint. Once cleared by the Country of Exit border checkpoint authorities, the vehicle carrying the goods for export proceeds to the Country of Entry border checkpoint for border crossing clearance formalities as follows:

(i) border crossing clearance formalities in the Country of Entry border checkpoint are as in Step 1 above (para 9), except that submission, processing, and clearance of customs documents will be conducted jointly and simultaneously by customs authorities of the two Parties to the MOU; and

(ii) once cleared at the border checkpoint in the Country of Entry, the vehicle carrying the goods proceeds to its next destination.

11. **For people and vehicles engaged in the export of goods** to the Country of Entry, for **Step 3 (no later than 31 May 2008)** (see **Figure 3**), border crossing clearance formalities in the Country of Exit border checkpoint are as in Step 2 above (para 10) except that **submission, processing and clearance of quarantine documents, and quarantine inspection will take place in the Country of Entry border checkpoint and no longer take place in the Country of Exit border checkpoint (i.e, only exit immigration formalities will be performed in the Country of Exit border checkpoint), except in the case of live animals.** Once cleared by the Country of Exit border checkpoint authorities, the vehicle carrying the goods proceeds to the Country of Entry border checkpoint for border crossing clearance formalities as follows:

(i) border crossing clearance formalities in the Country of Entry border checkpoint are as in Step 2 above (see para 10), except that submission, processing, and clearance of quarantine documents, and inspection, if necessary, will be conducted jointly and simultaneously by respective quarantine authorities of the two Parties to the MOU; and

(ii) once cleared at the border checkpoint in the Country of Entry, the vehicle carrying the goods proceeds to its next destination.

12. For people and vehicles engaged in the export of goods to the Country of Entry, for **Step 4 (no later than 30 September 2008)** (see **Figure 4**), border crossing clearance formalities in the Country of Exit border checkpoint will no longer be performed (i.e., immigration, quarantine, and customs), except in the case of live animals. The vehicle carrying the goods for export proceeds directly to the Country of Entry border checkpoint for border crossing clearance formalities as follows:

(i) border crossing clearance formalities in the Country of Entry are as in Step 3 above (para 11), except that immigration formalities for drivers and crew members will be conducted by immigration authorities of the two Parties to the MOU, sequentially (if not, near simultaneously) and expeditiously, in the Country of Entry border checkpoint; and

(ii) once cleared at the border checkpoint in the Country of Entry, the vehicle carrying the goods proceeds to its next destination.

13. **For people and vehicles engaged in the transit of goods**, the general procedures are as above (paras 9 to 12) for vehicles and people. **For cargo transiting** through the country of one Party to the MOU, the general procedures are as follows:

(i) inspection is only performed on the cargo if an irregularity is suspected, by the authorities of the Party to the MOU through which the goods are transiting;

(ii) existing seals are inspected for integrity by the authorities of the Party to the MOU through which the goods are transiting; and

(iii) once cleared, the vehicle carrying the goods in transit proceeds toward its next destination.

14. For people conveyed by commercial (e.g., bus) or non-commercial (e.g., private car) vehicles who are not engaged in the export of goods for commercial purposes and who will enter the territory of the neighboring country (e.g., tourists), the proposed general procedures for people and vehicles shall follow those for people and vehicles engaged in the export of goods to the Country of Entry (paras 9 to 12).

C.3 General Measures for Extraterritorial Intervention and Discharge of Duties

15. Principles Governing Officers' Extraterritorial Intervention and Discharge of Duties. The proposed general procedures for border crossing formalities at the Bavet-Moc Bai border crossing points are based on the ability of Competent Authorities of the Country of Exit to effectively discharge their duties in the territory of the Country of Entry. For this purpose, the following principles shall be observed by the Parties to the MOU:

(i) Officers of Competent Authorities assigned for duty in the CCA by their Country of Exit shall be admitted in the territory of the Country of Entry simply by producing official documents proving their identity and capacity and without the requirement of travel documents or visa.

(ii) The articles and equipment required by the officers from the Country of Exit for the discharge of their duties in the CCA in the Country of Entry shall not be subject to import or export prohibitions and restrictions and they shall be exempt from customs duties and taxes, without deposit of security.

(iii) The officers of the Country of Exit may freely transfer to the territory of their country any sums of money they have legitimately collected in the CCA.

(iv) When an officer from the Country of Exit on duty in the CCA of the Country of Entry commits an administrative misconduct or irregularity, he or she is only answerable to the Competent Authorities of the Country of Exit, which has sole jurisdiction to execute sanction. In this case, the Country of Entry cannot arrest the officer involved, but may immediately expel him from its territory.

(v) The officers of the Country of Exit shall in the CCA of the Country of Entry be provided with the office space required to discharge their duties and with shelter and sanitary comfort.

(vi) The officers of the Country of Exit shall enjoy the same protection and assistance in the performance of their duties as the officers of the Country of Entry. The criminal provisions sanctioning offences committed against officers in the performance of their duties shall equally apply to the officers of the Country of Exit in the CCA.

(vii) Officers of the Country of Exit shall in the Country of Entry wear at all times their national service uniform or where applicable a visible distinctive badge or other sign.

(viii) The officers of the Country of Exit discharging his/her duties in the territory of the Country of Entry shall be entitled to temporarily seize goods and vehicles suspected to infringe on relevant national laws or regulations, by way of preventive measure in instances where both Parties to the MOU would allow such a measure. The temporary detention of rule breakers shall be consistent with relevant national laws or regulations.

16. Principles Governing Detention, and Return of Goods, Vehicles and People

(i) Should an infraction of the legislation of the Country of Exit be detected during the border crossing formalities in the CCA of the Country of Entry, the vehicle(s), goods, and/or people shall be returned to the Country of Exit. Persons or goods or vehicles turned back by officials of the Country of Entry shall not be refused re-entry into the Country of Exit.

(ii) Should an infraction of the legislation of the Country of Entry be detected during the border crossing formalities in the CCA of the Country of Entry, the Country of Entry shall exercise its normal sovereign authority according to its national legislation.

(iii) Should an infraction of the legislation of both the Country of Entry and Country of Exit be detected during the border crossing formalities in the CCA of the Country of Entry, the vehicle(s), goods, and/or people shall be returned to the Country of Exit after the Country of Entry has fully exercised its sovereign authority, and enforced its laws and regulations.

17. Jurisdiction over Border Crossing Related Sanctioning and Litigation[7] - The following principles shall govern conflicting jurisdiction over border crossing related infringements and disputes in the CCA:

(i) Jurisdiction over border crossing related infringements and disputes shall lie with the country whose legislation was violated.

(ii) If the legislation of both countries is violated, jurisdiction shall lie with both countries, while however observing the "non bis in idem"[8] principle in the same country.

(iii) The settlement of appeals to administrative decisions and/or administrative actions of Competent Authorities of the Country of Exit or the Country of Entry shall be in accordance with relevant legislation of the respective countries.

(iv) Disputes shall be settled on the interpretation or application of the MOU in accordance with Articles 29 (b) and 42 of the Agreement.

D. Requirements

18. The proposed procedures for border crossing formalities entail the establishment of a modern border management system. To achieve this, the Parties to the MOU shall undertake the measures set out below.

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[7] e.g., fining of the rule breakers, forfeiting of the cargo and/or the vehicle, administrative recourse, civil actions, criminal prosecution related to border crossing.

[8] This phrase signifies that no one shall be tried twice for the same offence; that is, when a party accused has been once tried by a tribunal in the last resort, and either convicted or acquitted, he or she shall not again be tried.

D.1 Training and Human Resource Development

19. Training and human resource development initiatives shall include:

(i) Training/briefing of all personnel at the Bavet-Moc Bai border checkpoints on the proposed procedures for border crossing formalities, commencing within six months following the signing of the MOU;

(ii) Language training for all personnel at the Bavet-Moc Bai border checkpoints in English and the national language of the other Party to the MOU, commencing within six months following the signing of the MOU;

(iii) Training of all personnel at the Bavet-Moc Bai border checkpoints in border crossing processes of other departments, commencing within six months following the signing of the MOU; and

(iv) Training of all personnel at the Bavet-Moc Bai border checkpoints in the border crossing legislation and regulations of the other Party to the MOU, commencing within six months following the signing of the MOU.

D.2 Public Information

20. Information for the public (the users, i.e., traders and transport operators) on the proposed border crossing formalities shall be disseminated in the English language and the respective national language through appropriate forms of media, within six months following the signing of the MOU.

D.3 Harmonization, Coordination, and Synchronization

21. Operating hours of the adjacent border crossing points shall continue to be synchronized (0600-1800 hours). The procedures for opening of border crossing points on request are detailed in Attachment 2 of the MOU.

22. The format of the following Customs documents shall be harmonized:

(i) Customs declaration form **by 31 March 2007**

(ii) Common transit document **by 30 September 2007** and

(iii) Single form **by 30 September 2007**

23. Customs and other border crossing documents, such as for quarantine and immigration are to be harmonized and to contain data in the English language, **30 September 2007**

D.4 Institutionalizing Mutual Assistance

24. Periodical (at least monthly) and as required, institutionalized coordination meetings of the local border crossing authorities of the two Parties to the MOU will be held for the initial implementation of the Agreement, as called for in the MOU.

25. Direct operational communication channels (telephone, facsimile, data transmission) between the border crossing authorities of the Parties of the MOU will be

installed, **by 30 September 2006** and between the border checkpoint authorities and respective national administrations, **by .30 September 2007**

26. Exchange of information shall be institutionalized, e.g., intelligence sharing required for the practice of risk management, commencing no later than, **by 30 September 2006**

D.5 Legal/Regulatory Framework

27. A statement that actions are "without prejudice to any disagreement on border location conflicts or political sovereignty issues" shall be issued, in accordance with Article 31 (Transparency of Legislation, Regulation and Status of Infrastructure) of the Agreement, to the general public through local newspapers, periodic publications and/or other forms of media, **by 30 September 2006**

28. Legislative, regulatory, and institutional initiatives to formalize the SWI and SSI practices shall be implemented, commencing within six months following the signing of the MOU.

D.6 Infrastructure

29. The two temporary CCAs shall be located, delimited, and established/installed, **by 30 September 2006** and the permanent CCAs, **by 30 September 2007**

E. Procedures for Risk Management

E.1 Development of a Risk Indicator System[9]

30. Risk profiles shall be developed commencing no later than **31 May 2006** in accordance with the national requirements via the definition of risk indicators for:

(i) goods: e.g., type of cargo, value of cargo, reputation of trader/carrier (inter alia, via compliance measurement and record)[10];
(ii) people: e.g., origin/destination, nationality; and
(iii) vehicles: e.g., type, age, configuration, empty status, owner-driver relationship.

31. Concrete fraud indicators to be used in the observation of the actual border crossing shall be defined commencing no later than **31 May 2006** for:

(i) goods, e.g., the attitude of the driver, aspect of the vehicle, its doors, locks, canvas, the cargo, the seals, the documents; and
(ii) people: e.g., attitude, behavior, dress, aspect of the traveler, the documents.

32. Intelligence information gathering and bilateral exchange (e.g., on stolen cargoes, stolen vehicles, smuggling, criminals, illegal travelers, infection) shall be institutionalized commencing no later than **30 September 2006**

E.2 Appropriate Measures for Risk Management

33. Appropriate measures to apply/actions to take, based on the abstract and concrete risk indicators and/or intelligence information, shall be defined for (among others), commencing no later than **31 May 2006**

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[9] The specifications here are of the nature of general guidelines; the day-to-day procedures to be applied will need to be developed separately.

[10] See Revised Kyoto Convention, General Annex Chapter 6, Standard 6.5.

(i) application of additional seals;
(ii) application of cargo tracking measures;
(iii) rate of physical inspection (ranging from increased random sampling to 100% physical inspection);
(iv) exit/entry refusal of goods/vehicle/people;
(v) application of quarantine measures;
(vi) seizure of goods/vehicles; and
(vii) arrest of people.

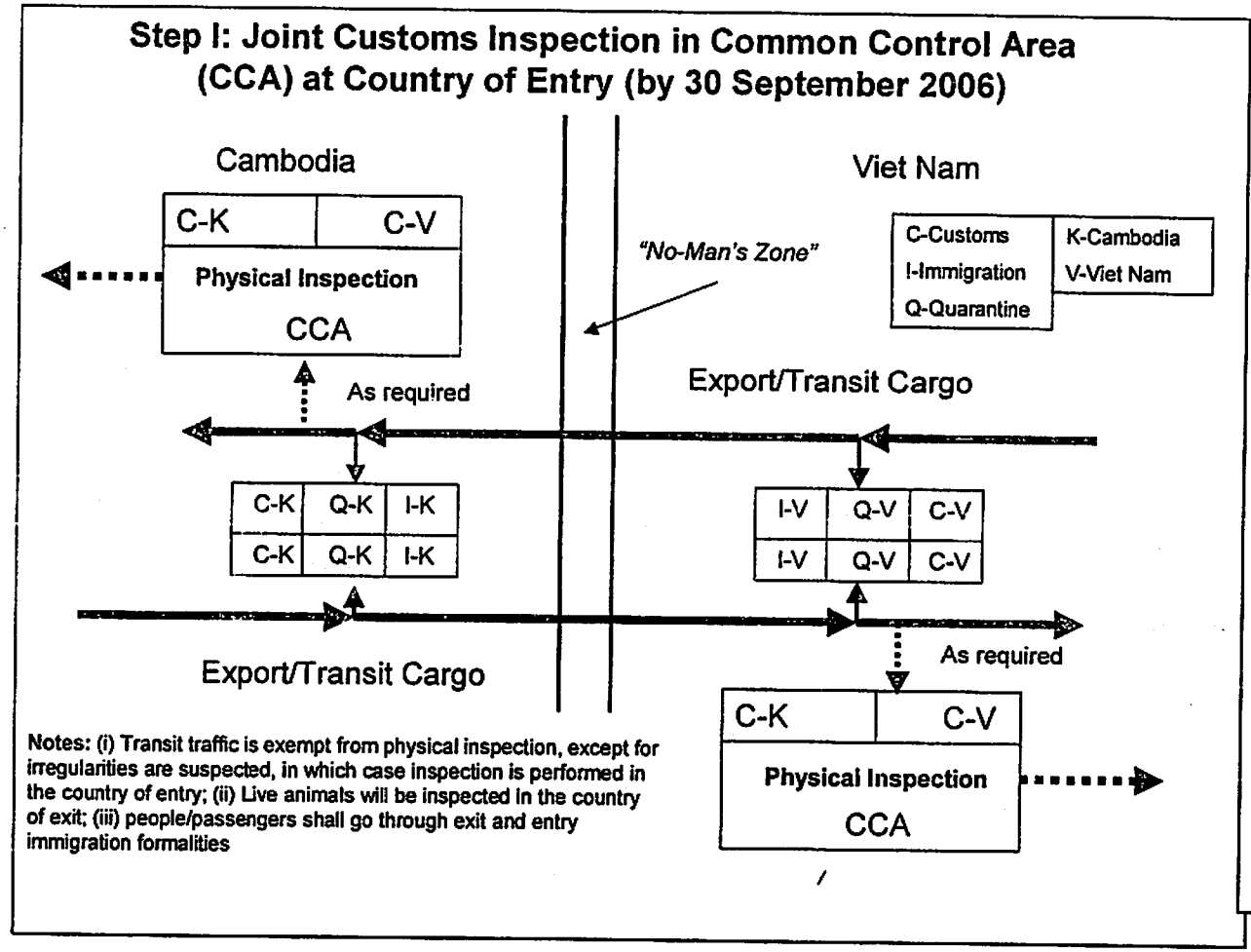
F. Performance Benchmarks for Border Clearance Times

34. The Parties to the MOU shall endeavour to achieve combined average clearance times for border crossing formalities in four steps, excluding queueing times, as follows:

Combined Targeted Average Border Crossing Clearance Times (excluding queuing time) for the Four Steps of Single-Window and Single-Stop Inspection at the Bavet-Moc Bai Border Crossing Points
(in minutes)

	Existing	Step 1	Step 2	Step 3	Step 4
Commercial Vehicles	360	120	90	45	<=30
Non-commercial Vehicles	120	45	30	15	<=5

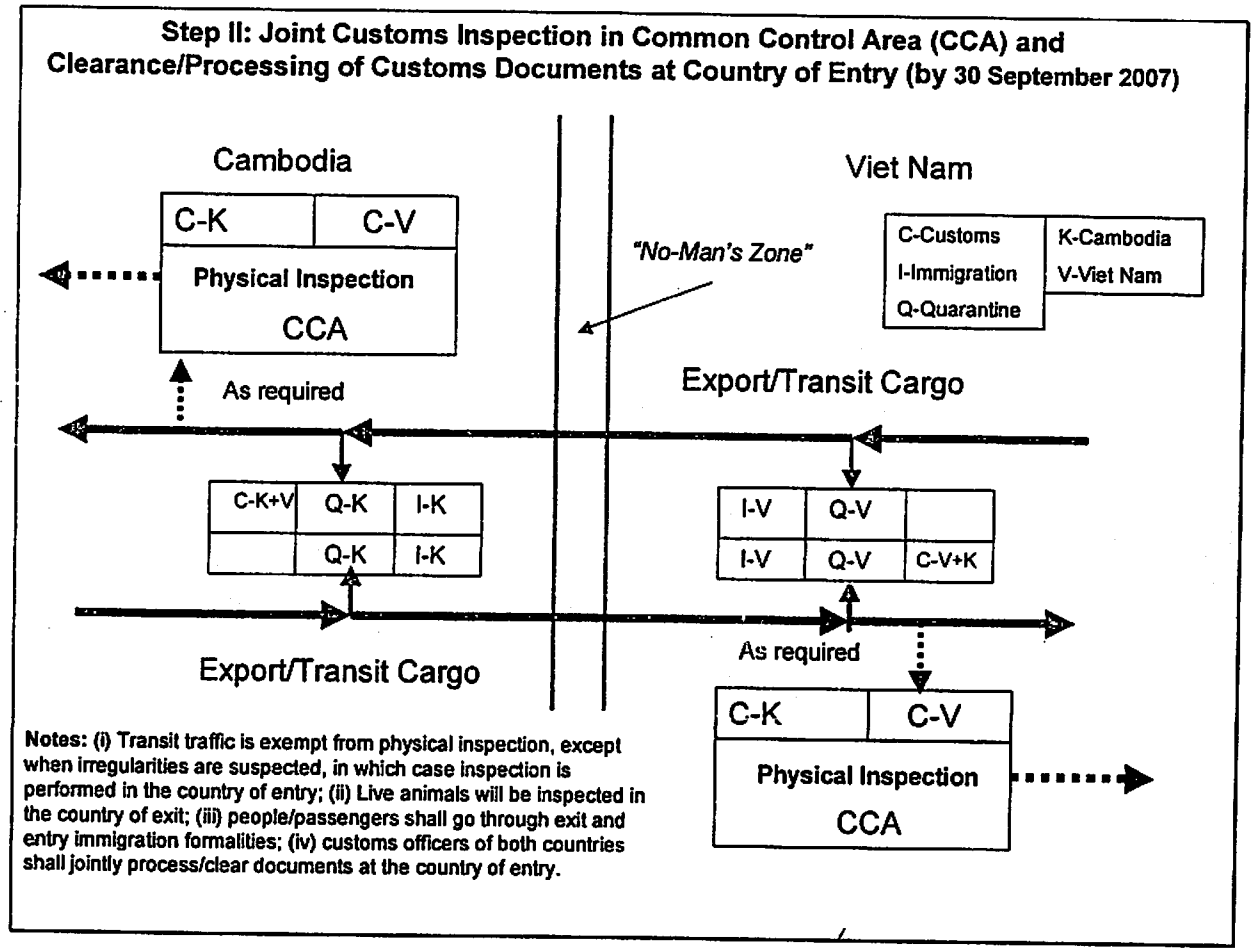
Figure 1



Key Facilitation Measures for SSI/SWI By 30 September 2006:

- SWI
- Establishment of telecommunications links between the two border crossing points
- "Round-the-clock" processing of border crossing formalities on request
- Full implementation of risk management system
- Implementation of the Protocol to implement the Bilateral Road Transport Agreement for the exchange of traffic rights (by 31 May 2006)
- Availability of 3rd party motor vehicle liability insurance
- No inspection on goods in transit, except on suspicion of fraud
- Grant priority border crossing clearance to perishable goods
- Exempt goods in transit from any customs duties and taxes

Figure 2

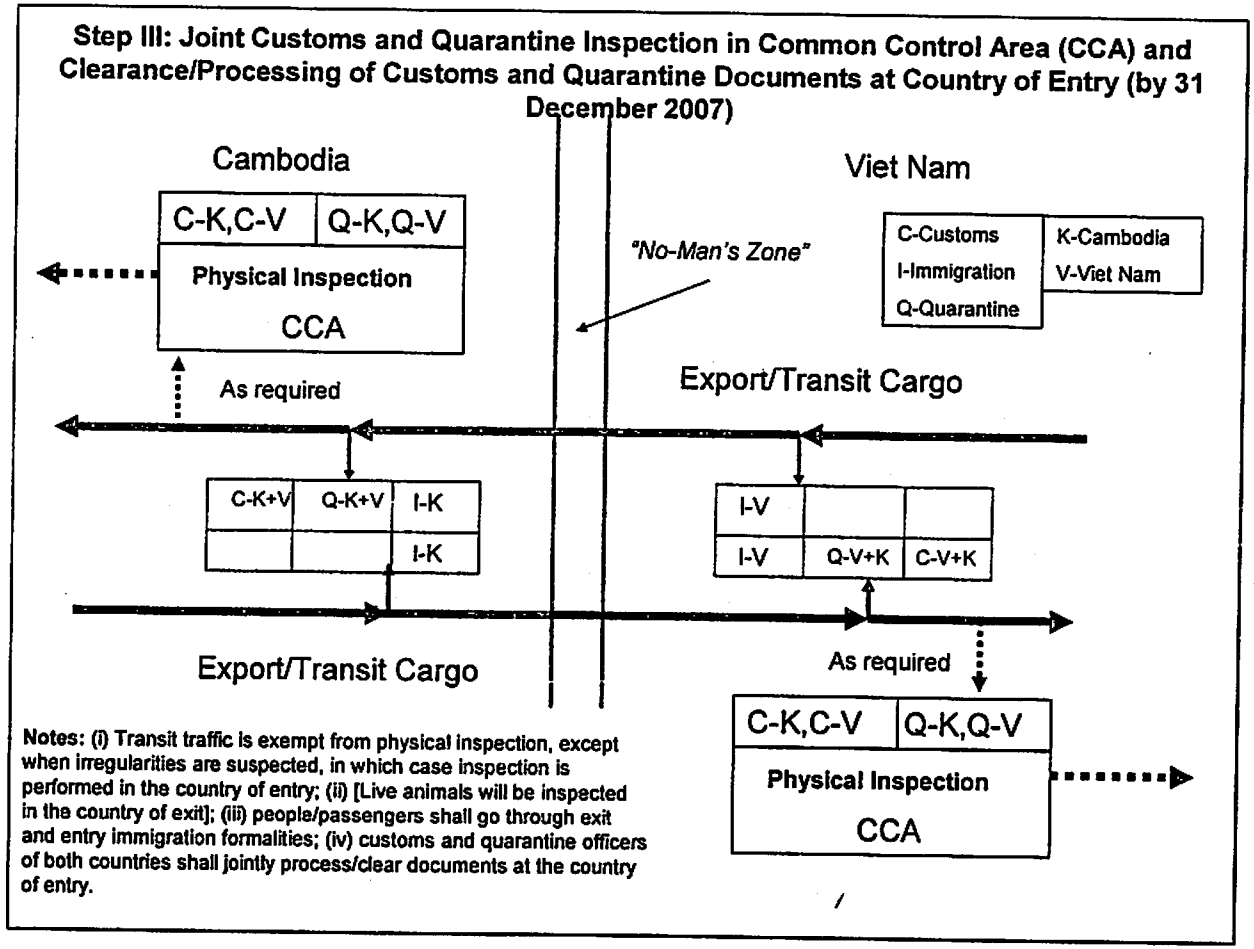


Key Facilitation Measures for SSI/SWI

By 30 September 2007:

- EDI to facilitate pre-arrival border crossing clearance
- Streamlining and harmonization of documents, procedures and formalities, including reducing the number of border-crossing agencies and use of harmonized forms for border crossing clearance formalities
- Establishment of permanent common control areas
- Recognition of designated issuing/ guaranteeing organizations for transit traffic

Figure 3

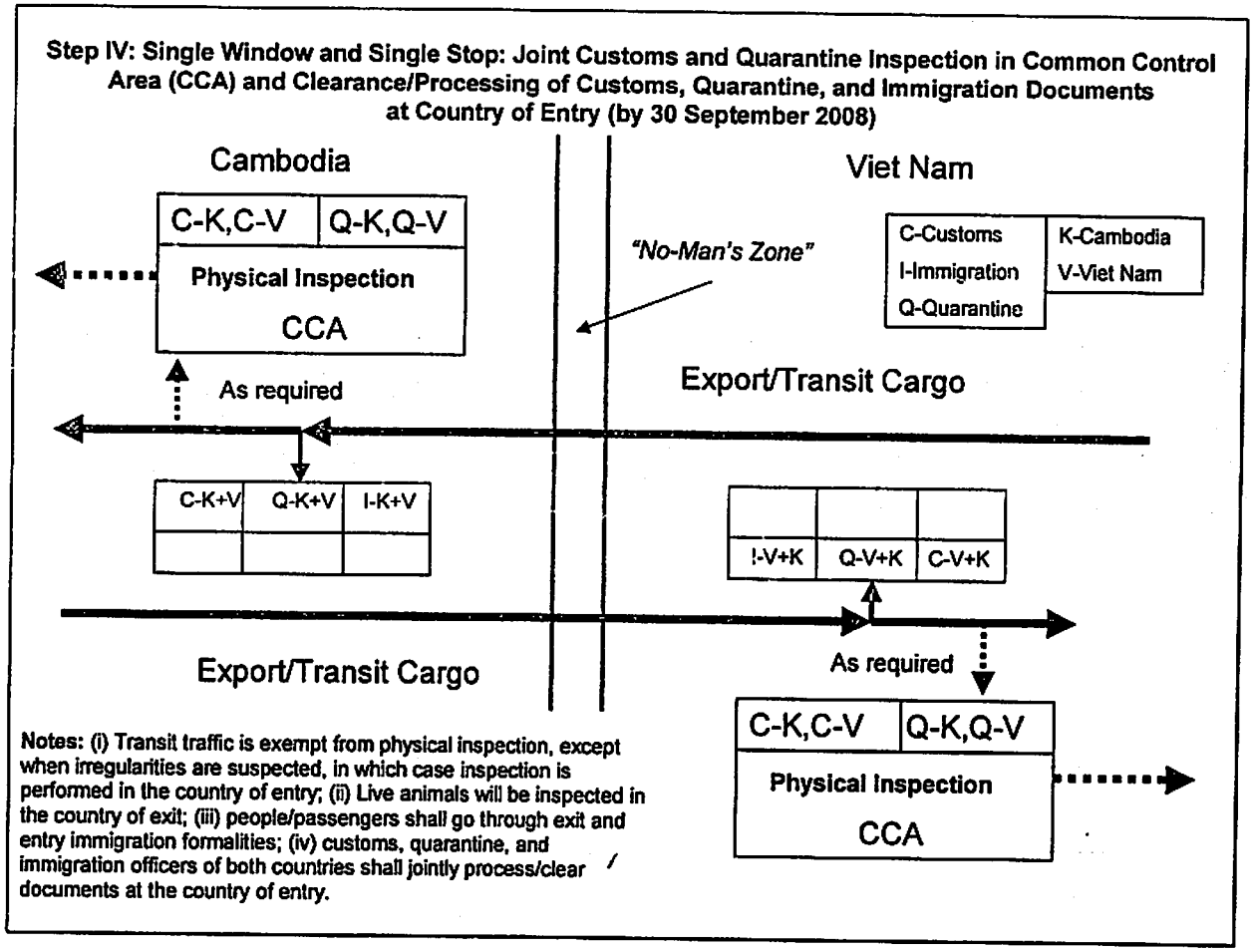


Key Facilitation Measures for SSI/SWI

By 31 March 2008

- Bring road traffic regulations and signage along their sections of the Southern Economic Corridor in line with Annex 7 of the GMS Cross-Border Transport Agreement

Figure 4


Step IV: Single Window and Single Stop: Joint Customs and Quarantine Inspection in Common Control Area (CCA) and Clearance/Processing of Customs, Quarantine, and Immigration Documents at Country of Entry (by 30 September 2008)
Cambodia
Viet Nam
C-K,C-V
Q-K,Q-V
Physical Inspection
CCA
"No-Man's Zone"
C-Customs
I-Immigration
Q-Quarantine
K-Cambodia
V-Viet Nam
As required
Export/Transit Cargo
C-K+V
Q-K+V
I-K+V
I-V+K
Q-V+K
C-V+K
Export/Transit Cargo
As required
C-K,C-V
Q-K,Q-V
Physical Inspection
CCA
Notes: (i) Transit traffic is exempt from physical inspection, except when irregularities are suspected, in which case inspection is performed in the country of entry; (ii) Live animals will be inspected in the country of exit; (iii) people/passengers shall go through exit and entry immigration formalities; (iv) customs, quarantine, and immigration officers of both countries shall jointly process/clear documents at the country of entry.

ATTACHMENT 2: PROCEDURES FOR OPENING OF THE BORDER CROSSING POINTS ON REQUEST

A. Introduction

1. Article 3 on Consultation, Cooperation, Coordination, and Harmonization of Annex 4 on Facilitation of Frontier Crossing Formalities calls for coordination of operations of adjacent countries' border control posts with respect to (i) operating hours, (ii) type of available inspection services in the respective border crossing point (e.g., customs, quarantine, immigration), and (iii) which types of goods are subject to which types of border crossing clearance. Article 3 also states that in the border crossing points referred to in Protocol 1 of the Agreement, inspection services will be available 24 hours a day, seven days a week, either through permanent staffing or by opening on request when a notice has been sent in advance, so as to assure clearance outside normal business working hours or otherwise, to be coordinated by the country pairs.

2. This Attachment outlines the procedures for opening on request of the Bavet-Moc Bai border crossing points outside their normal business working hours (i.e., seven days a week, between 0600 hours and 1800 hours).

B. General Procedures

3. An application for opening on request of the Bavet-Moc Bai border crossing points outside normal business working hours must be lodged by transport operators engaged in the cross-border movement of goods and people, or by private persons who will be conveyed by non-commercial vehicles. The requisite application form(s) shall be completed by the transport operator or by private persons, and submitted to the designated Competent Authorities in the border checkpoints of the Country of Exit and Country of Entry, or to any other designated authority(ies). The application form shall specify the estimated arrival time, as well as the nature of the operation (e.g., persons, cargo) and the type of cargo (e.g., quarantine-susceptible cargo, live animals or dangerous goods) for the purpose of determining the required type of personnel who would undertake the clearance procedures outside normal business working hours.

4. The application form(s) must be received by the designated Competent Authorities of the border checkpoints of the Country of Exit and Country of Entry from the applicant or his/her designated representative(s), initially no later than 24 hours prior to the expected arrival time at the border checkpoints.

5. The designated approving authority(ies) of the border checkpoints in the Country of Exit and Country of Entry shall inform the applicant no later than eight hours after receipt of application or within the fourth hour of the next day, whichever is later, regarding the approval/non-approval of the request for opening of the border crossing points outside normal business working hours by fax, email or telex, or in person if the applicant or his/her designated representative lodged the application in person at the border checkpoint(s). Non-approval of the request shall be justified in writing (in the English language).

6. The transport operator or private person shall pay the corresponding fee(s) to the designated collecting agency (ies) at the border checkpoints of the Country of Exit and Country of Entry immediately after border crossing clearance formalities outside normal business working hours are completed. The schedule of fees shall be determined by mutual agreement of the Parties to the MOU. The fee(s) shall be paid in cash to the designated collecting agency(ies) at the border checkpoints.

ATTACHMENT 3: LIST OF PERISHABLE GOODS FOR PRIORITY BORDER CROSSING CLEARANCE FOR THE CROSS-BORDER MOVEMENT THROUGH THE BAVET-MOC BAI BORDER CROSSING

1. Foodstuffs

1.1 Plant Products (fresh, chilled, frozen)

1.1.1 Fruits and vegetables
1.1.2 Other plants and plant products

1.2 Animal Products

1.2.1 Meat and meat products (fresh, chilled, frozen, cooked)
1.2.1.1 Bovine meat
1.2.1.2 Bovine meat products
1.2.1.3 Porcine (swine) meat
1.2.1.4 Porcine meat products
1.2.1.5 Poultry meat
1.2.1.6 Poultry meat products
1.2.1.7 Lamb/sheep and goat meat
1.2.1.8 Lamb/sheep and goat meat products
1.2.1.9 Horse meat
1.2.1.10 Horse meat products
1.2.1.11 Other meat
1.2.1.12 Other meat products

1.2.2 Aquatic animals and aquatic animal products (fresh, chilled, frozen, cooked)
1.2.2.1 Fish, crustacean, molluscs, and cephalopods
1.2.2.2 Fish, crustacean, mollusc, and cephalopod products
1.2.2.3 Other aquatic animals
1.2.2.4 Other aquatic animal products

1.2.3 Dairy and dairy products (fresh, chilled, frozen, pasteurized)

1.2.4 Egg and egg products (fresh, chilled, frozen, cooked)

2. Non-Foodstuffs

2.1 Plant Products

2.1.1 Cut fresh or chilled flowers
2.1.2 Live ornamental plants
2.1.3 Live aquatic plants
2.1.4 Other plant parts (e.g., for propagation or research)

2.2 Animal Products

2.2.1 Offal
2.2.2 Viscera (organs)
2.2.3 Carcass
2.2.4 Blood
2.2.5 Skin and hide
2.2.6 Hatching eggs

2.2.7 Semen and embryo
2.2.8 Other animal products

2.3 Medical and Veterinary Items (refrigerated and frozen)

2.3.1 Blood, blood plasma, and serum
2.3.2 Vaccines
2.3.3 Biological laboratory reagents
2.3.4 Pathological, biological, and serological materials for research and diagnostic purpose

3. Live Animals

3.1 Cattle and Buffalo
3.2 Sheep and Goats
3.3 Pigs
3.4 Rabbits
3.5 Poultry
3.6 Birds
3.7 Horses
3.8 Aquatic Animals
3.9 Pets (e.g., dogs and cats)
3.10 Laboratory Animals
3.11 Animals for Public Entertainment
3.12 Zoo Animals
3.13 Silkworms
3.14 Bees
3.15 Other Live Animals

BỘ NGOẠI GIAO

Số : 16/2006 /LPQT

SAO Y BẢN CHÍNH

Hà Nội, ngày 15 tháng 3 năm 2006

TL. BỘ TRƯỞNG
KT. Vụ trưởng Vụ Luật pháp và Điều ước quốc tế
Phó Vụ trưởng

Nguyễn Thị Hoàng Anh

Nơi nhận :

- Văn phòng Quốc hội (để báo cáo),
- Văn phòng Chủ tịch nước (để báo cáo),
- Văn phòng Chính phủ (để báo cáo),
- Văn phòng Chính phủ (để đăng Công báo),
- Bộ Giao thông Vận tải,
- Bộ Quốc phòng,
- Bộ Y tế,
- Bộ Tài chính (Tổng cục Hải quan),
- Đại sứ quán Việt Nam tại Căm-pu-chia,
- Vụ Châu Á 2, Bộ Ngoại giao,
- Vụ Luật pháp và Điều ước quốc tế, Bộ Ngoại giao, ✓
- Lưu trữ, Bộ Ngoại giao.

Bản ghi nhớ giữa Chính phủ nước Cộng hòa xã hội chủ nghĩa Việt Nam và Chính phủ Hoàng gia Căm-pu-chia về triển khai ban đầu Hiệp định giữa các Chính phủ của Vương quốc Căm-pu-chia, Cộng hòa nhân dân Trung Hoa, Cộng hòa dân chủ nhân dân Lào, Liên bang Myanmar, Vương quốc Thái Lan và Cộng hòa xã hội chủ nghĩa Việt Nam về tạo điều kiện cho việc vận chuyển người và hàng hóa qua biên giới (GMS) tại Bavet, Vương quốc Căm-pu-chia và Mộc Bài, Cộng hòa xã hội chủ nghĩa Việt Nam có hiệu lực từ ngày 6 tháng 3 năm 2006.