



# Addressing Soft Infrastructure

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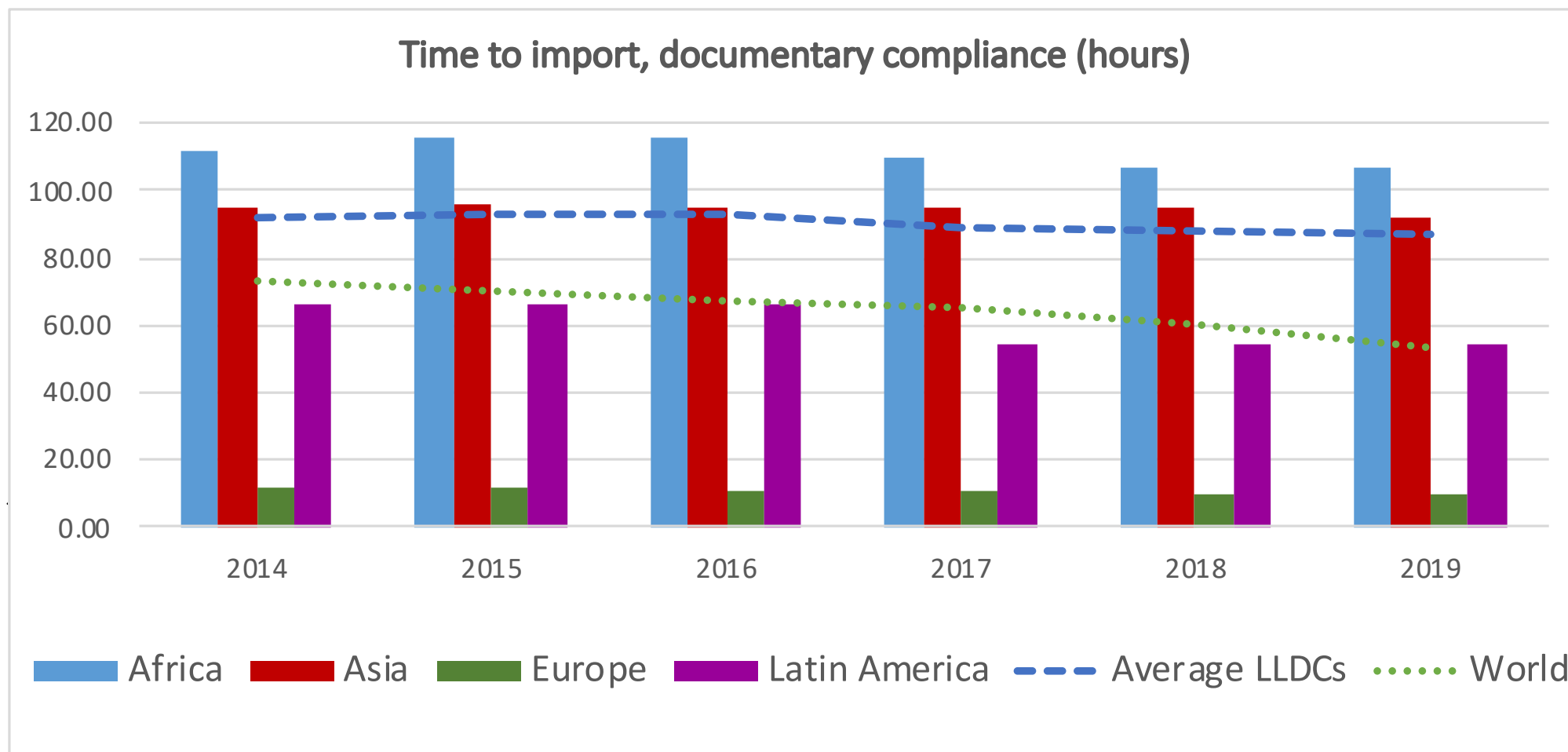
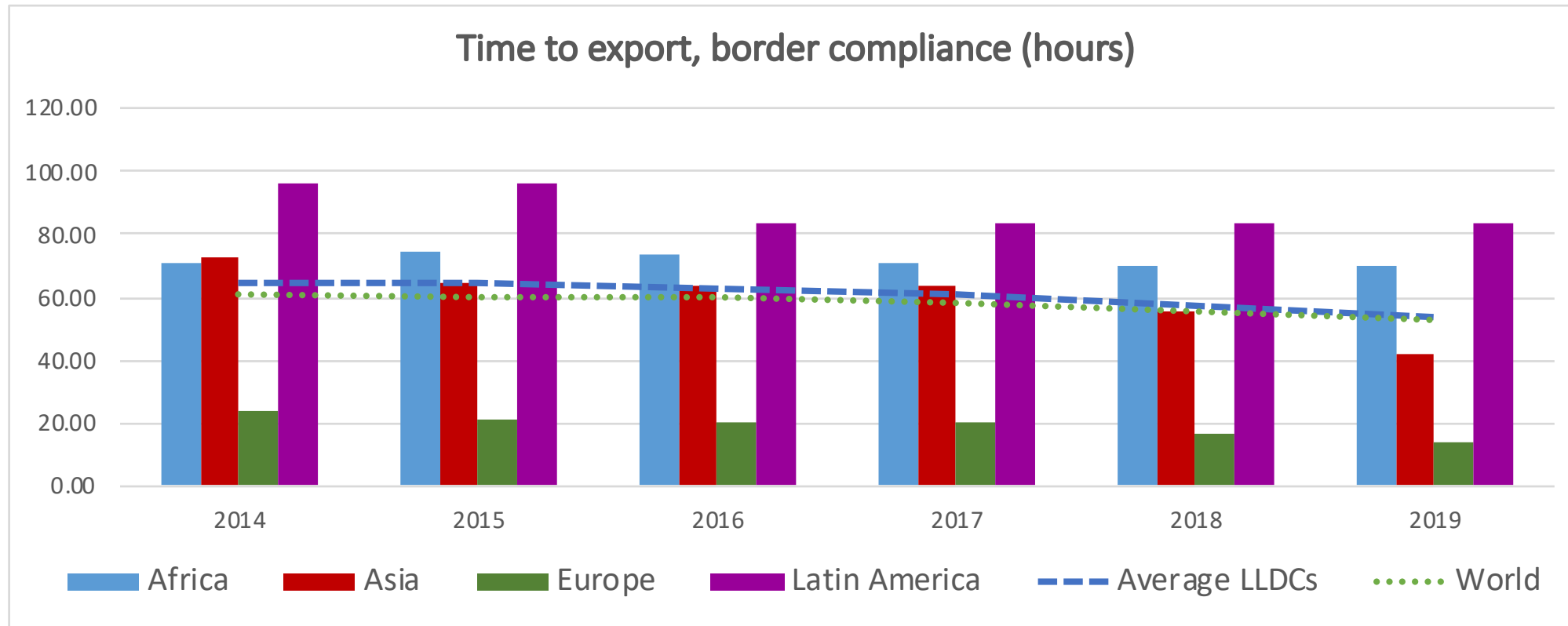
UN-OHRLLS Training on Strengthening Capacity to Design and Implement Policies and Identify Solutions that Promote  
Transport Connectivity for the Achievement of the SDGs

**September 30 - October 1, 2021**

# The importance of improving soft infrastructure for transport connectivity

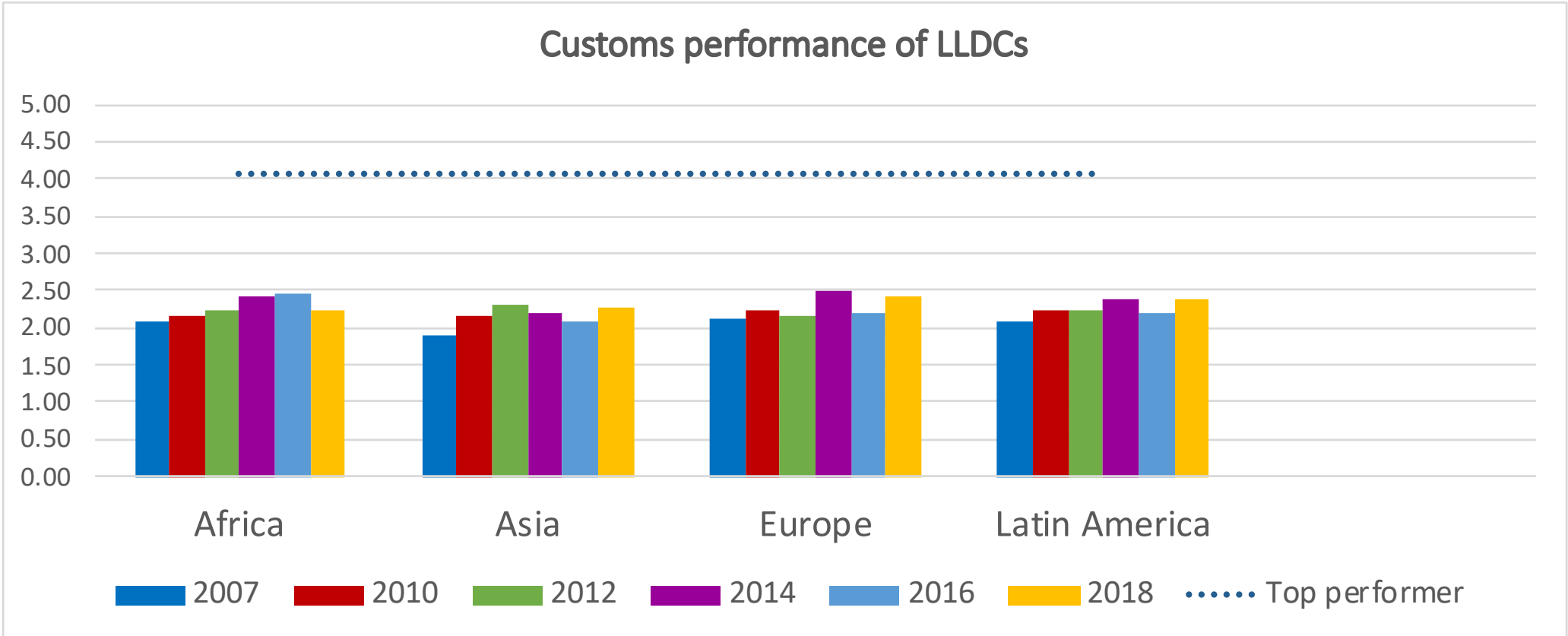
- Improving soft infrastructure is not less significant than that of physical transport infrastructure
  - Soft infrastructure deals with policy and regulatory reforms to facilitate faster movement along transport corridors and at border crossings, and serves as determining factors in attracting foreign investments
  - Effective and efficient transport corridors successfully link hard infrastructure and soft infrastructure
  - Moving products across borders is one of the most complicated elements in international trade and transport transactions → non-physical barriers, delays and inefficiencies associated with customs procedures and document requirements → high transport costs
  - Trade facilitation could even be more important than infrastructure when planning transport corridors
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# Border Crossing Efficiency

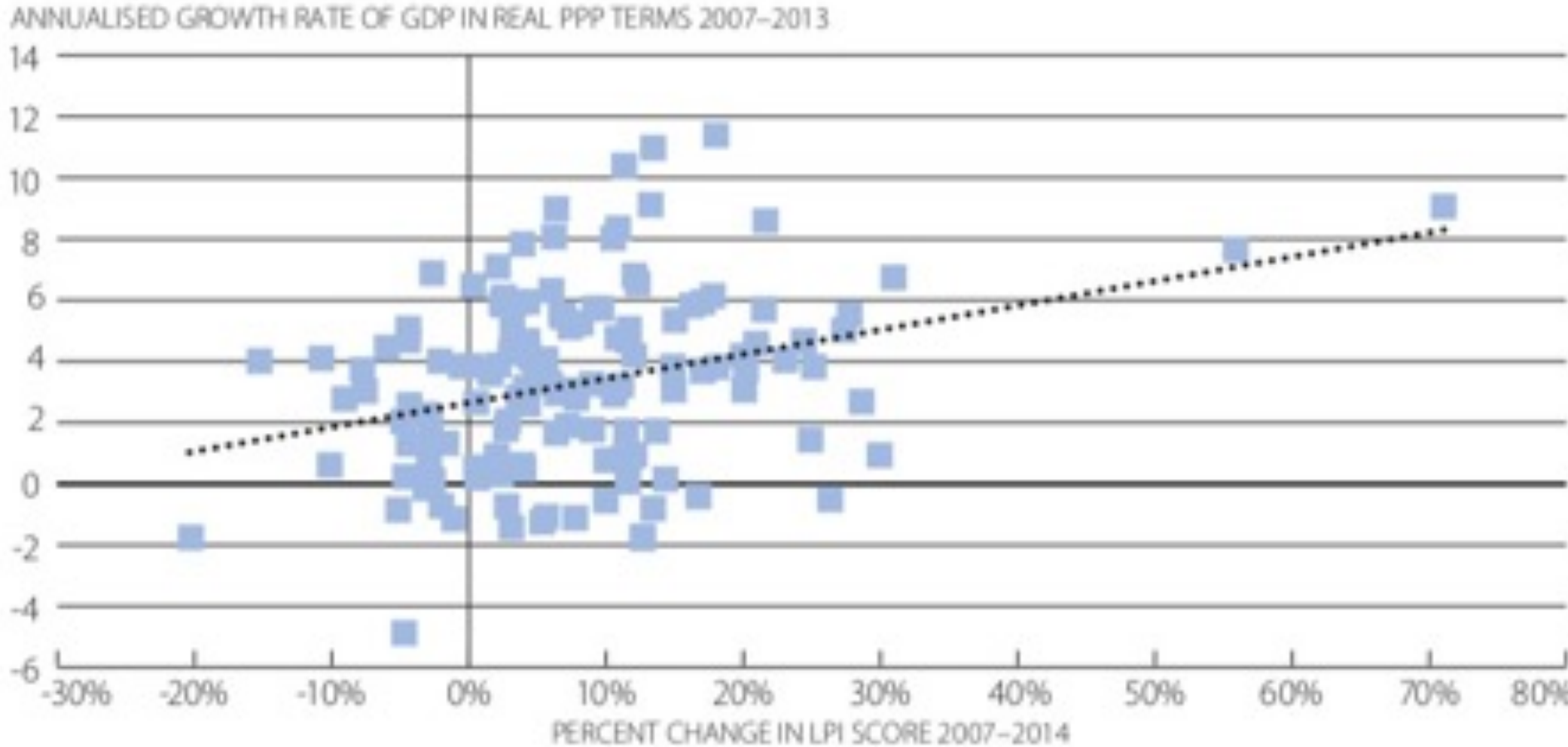


Source: World Bank Open Data

# LPI and GDP Growth Rate



Source: World Bank

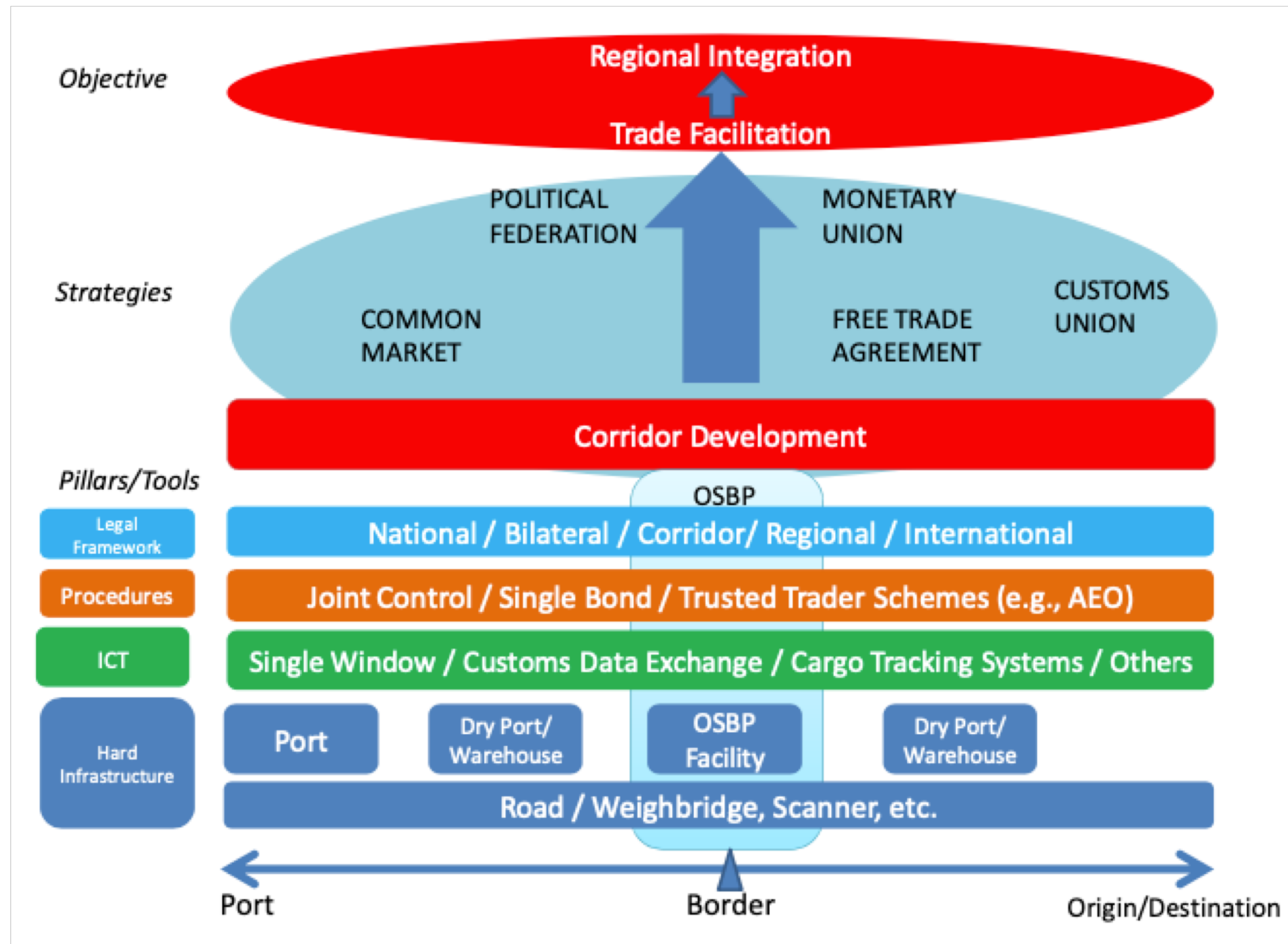


Source: WTO

# Coordinated Border Management

- A coordinated approach by border control agencies, both domestic and international, in the context of seeking greater efficiencies over managing trade and travel flows, while maintaining a balance with compliance requirements (WCO)
- Mainly implemented in the form of One Stop Border Post (OSBP) or Joint-Border Post (JBP)
- OSBP aims to reduce transit time caused by long procedures involved in passing through two set of identical controls on each side of the border
- OSBP combines the activities of both countries' border organizations and agencies at either a single common location or at a single location in each direction → promoting the optimal utilization of available resources

# OSBP – A Tool of Trade Facilitation, Regional Integration and Economic Development



- Integrating into regional economy is important for LLDCs to promote partnership with transit countries
- In the Euro-Asian region, transport and transit are mainly regulated at the bilateral level and through multilateral agreements
- All Euro-Asian LLDCs have bilateral agreements relevant for transit transport with their most important transit countries

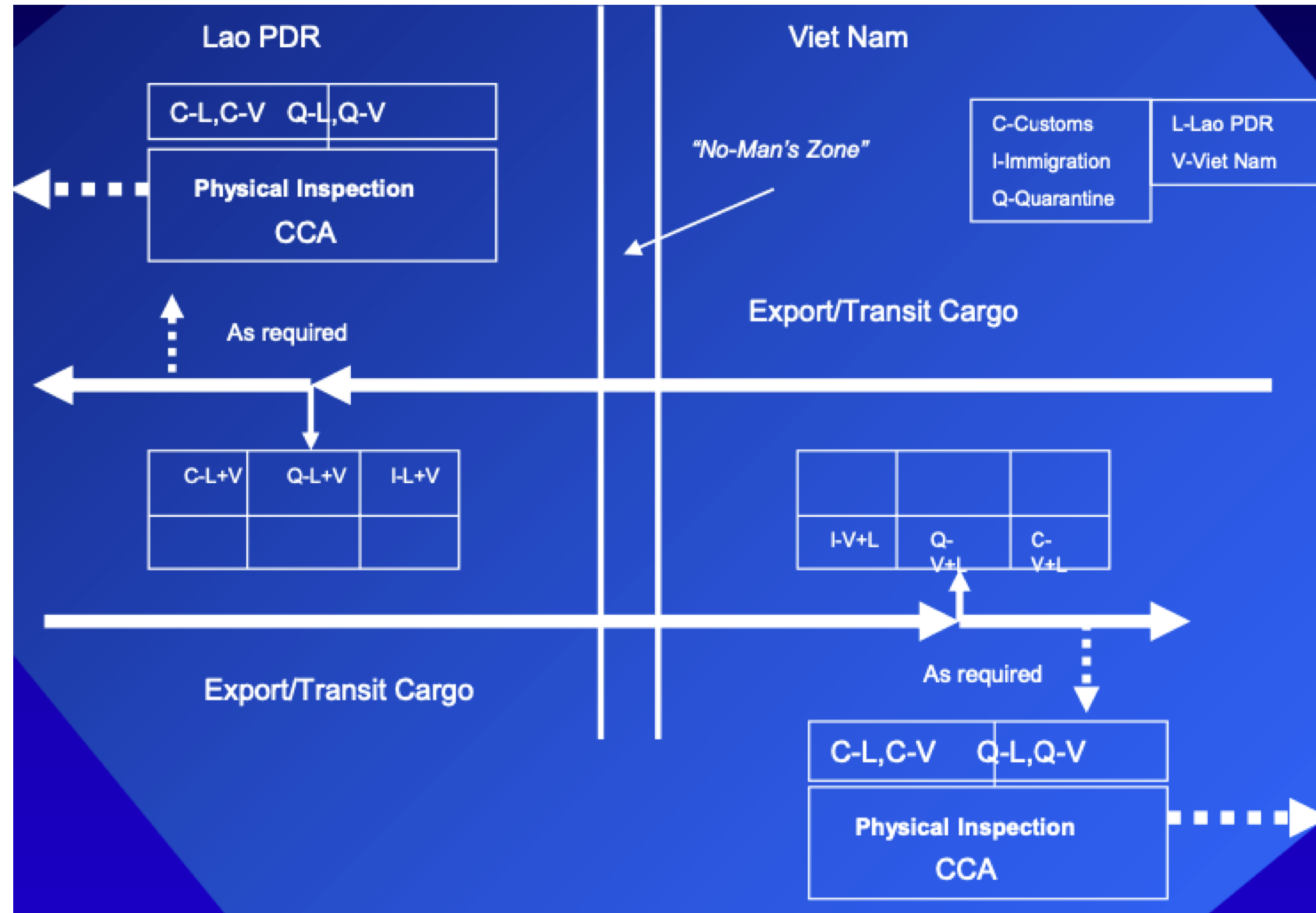


# Single-Stop Inspection Facility Dansavanh (Lao PDR) – Lao Bao (Viet Nam)



- In operation since 2015 as part of the initial implementation of the 2003 Greater Mekong Subregion Cross-Border Transport Agreement
- The Lao-Bao border checkpoint is part of the Asian Highway and East-West Economic Corridor that links central Viet Nam with central Lao PDR, Thailand, and Myanmar.
- SSI has reduced processing time of vehicles crossing the border:
  - cargo trucks: 4 hours → 70-80 minutes
  - passenger cars: 2 hours → 30 minutes

# Single-Stop Inspection Facility Dansavanh (Lao PDR) – Lao Bao (Viet Nam)



- CCA border facilities support full-scale implementation of joint SSI procedures
- Facilities and software for ASYCUDA are available
- Vietnamese trucks need to be checked only at the Dansavanh border crossing point
- Lao trucks need to be checked only at the Lao-Bao border crossing point



# Lessons Learned

- Allows border control authorities from two countries to jointly conduct one-stop inspections at inbound checkpoints
- Lower average clearance time at the border leads to significant time and cost savings, improved governance, and increased trade between Lao PDR and Viet Nam.
- Coordinated risk analysis results in a small percentage of cargo being inspected
- High-level political commitment: **Bilateral Road Transport Agreement** in 2005 between Lao PDR and Viet Nam
- Intensive meetings on the streamlining of procedures and establishment of coordination mechanisms

Thank you for listening ...

