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Lancang-Mekong Cooperation Special Fund supported project on
Joint Development of Cross-Border Economic Zones
in Lancang-Mekong Countries

COMPLETION REPORT



**Structured Learning Visits to
Shanghai Pilot Free Trade Zone
and China-Laos Mohan-Boten
Economic Cooperation Zone**

December 9-13, 2019

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Shanghai Pilot Free Trade Zone and
China-Lao Mohan-Boten Economic Cooperation Zone

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Mekong Institute (MI)
Khon Kaen, Thailand

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Trade and Investment Facilitation (TIF) Department
Mekong Institute (MI)
Khon Kaen, Thailand
December 2019

Executive Summary

With the support of Lancang-Mekong Cooperation Special Fund of P.R. China, Mekong Institute (MI), in coordination with Ministry of Commerce, Royal Government of Thailand, has been implementing four Lancang-Mekong projects since 2018, of which, two projects aimed to promote the “Development of Cross-Border Special Economic Zones” and “Upgrading Border Facilitation for Trade and Logistics Development”. To fulfil the project goals, a Structured Learning Visit (SLV) to Shanghai Pilot Free Trade Zone and China-Lao Mohan-Boten Economic Cooperation Zone was designed and organized by MI on December 9-13, 2019.

A total of 26 representatives from the six Lancang-Mekong (LM) countries, consisting of mid- to senior-level officials from national ministries related to commerce, industry, planning and investment, management bodies of special economic zone development, and representatives of MI, participated in the SLV. The delegation was led by Mrs. Auramon Supthaweethum, Director-General of the Department of Trade Negotiations, Ministry of Commerce (MOC) and Dr. Watcharas Leelawath, Executive Director of MI.

The SLV aimed to acquire the knowledge on the best practices on China’s successful development and management of trade zones, special economic zones (SEZs), and cross border economic zones (CBEZ), which have heightened business cooperation and intra-regional trade and investment.

The SLV structure comprised of four features which contributed to each other as following

- i) Preparation questions prior the SLV and setting the expectations,
- ii) Debriefing session on the project background, objectives and expected outcomes of the SLV, key discussion areas, and presentation on economic zone development.
- iii) Visiting sites and discussions with sites’ representatives in China and Lao PDR to exchange information, build up networking and foster collaboration with stakeholders of SEZs and CBEZ so as to expand trade and investment opportunities inside and outside the LM region. The site visits were
 - a. China (Shanghai) Pilot Free Trade Zone managed by Bureau of External Communication of Shanghai Pilot Free Trade Zone;
 - b. Waigaoqiao Wine (International) Exhibition and Trading Center and Australian Commodity Centre in Waigaoqiao Country (Region) Commodity Center, managed by Waigaoqiao Free Trade Zone Administration
 - c. Night culture and tourism market in Jinghong,
 - d. Mohan Economic Cooperation Zone, P.R. China, and Boten Special Economic Zone, Lao PDR. Two zones’ management authorities have been working together to jointly develop the China-Lao Mohan-Boten Cross Border Economic Cooperation Zone.
- iv) A synthesis and Evaluation (S&E) workshop to reflect the knowledge and information obtained from the site visits and draft key recommendations for the national strategy and country-specific development projects on trade zones and CBEZs.

Overall, the assessment results of SLV program affirmed that the objectives were met. The delegates reported that the program met their expectations. The site visits gave them understand the SEZ development and related issues. They increased knowledge and skills which are relevant to their work, acquired additional knowledge on the subject, and increased skills. The assessment results also indicated that the delegates were highly satisfied with overall program.

According the country group presentations at the S&E workshop, it highlighted different aspects of an enabling environment, which include aligning trade and investment policies with the

industry needs; strengthening local government accountability and multi-sectoral cooperation; designing a road map of SEZ management and promotion; identifying investment promotion strategies and incentives; improving transport and cross-border infrastructure through digital technologies; setting-up single-window and one-stop service centers; activating local economies and cross-border e-commerce; and organizing capacity building initiatives, among others. Furthermore, the delegates provided the following suggestions and recommendations for future improvement of the program.

- Support for similar program to visit Thailand Industrial parks and/or other successful cross border economic zone / SEZ in LM countries for gaining more knowledge and experience.
- Regulator role of the Management Authority in two countries is necessary to discussed in details.
- The government should delegate more authority and accountability to the local government in term of decision making as same as China has done.
- Proactive activities to connect with other countries to provide them more information and to attract other investors.
- Leader should come to meet and share their idea and convince each other with sister cities and other countries.
- Specific cooperation programs with Lang Son on training, business matching, investment conferences/forums/ small projects in our Zone are recommended.
- Introduce Saigon Hi-tech Park to GMS community to increase number of chances for cooperation.
- Specific area for visiting would be more better for Mekong countries.
- Provide more specific guideline for the first session in order to guide participant to pay more attention and gain more knowledge along the trip.

Acronyms

CBEZ	Cross Border Economic Zone
CBECZ	Cross Border Economic Cooperation Zone
CBZ	Comprehensive Bonded Zone
CCLMTV	Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam
FTZ	Free Trade Zone
LMCSF	Lancang-Mekong Cooperation Special Fund
MI	Mekong Institute
MOC	Ministry of Commerce
M&E	Monitoring and Evaluation
PFTZ	Pilot Free Trade Zone
S&E	Synthesis and Evaluation
SEZ	Special Economic Zone
SLV	Structured Learning Visit
TIF	Trade and Investment Facilitation

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1. Introduction

Special Economic Zones (SEZs) are defined as a geographically delimited area, offering special incentives and benefits and, with a separate customs area to provide duty-free benefits and streamlined procedures. A significant shift in SEZ development in Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Viet Nam is a growing attention to develop cross border economic zones (CBEZs) in the countries of this region. In particular, P.R. China and to some extent, Thailand has adopted strategies and measures to set up CBEZs involving one or more of their neighbours. Among the intended objectives of such CBEZs are to leverage labor and natural resources in border areas or of neighbouring countries with whom the CBEZs are being planned with. Encouraging building of regional value chains through the CBEZs is another intended objective. Though a number of CBEZs have been planned, mostly these have not been fully operational in the Lancang-Mekong region.

With the support of Lancang-Mekong Cooperation Special Fund of P.R. China, Mekong Institute (MI), in coordination with Ministry of Commerce (MOC) of Thailand, has been implementing four projects since 2018 as below:

- i) Joint Development of Cross-Border Special Economic Zones (LMC Project 1)
- ii) Upgrading Border Facilitation for Trade and Logistics Development (LMC Project 2)
- iii) Lancang-Mekong Business Forum (LMC Project 3)
- iv) Rural E-Commerce Development (LMC Project 4)

In line with the prioritized areas of the Five-Year Plan of Action on Lancang-Mekong Cooperation (2018-2022)¹, the LMC Project 1 and 2 were designed to facilitate cross border trade and investment through effective cooperation mechanism between public and private stakeholders in six Lancang-Mekong countries, namely Cambodia, P.R. China, Lao PDR, Myanmar, Vietnam and Thailand. To achieve the goal, a variety of capacity building activities have been planned and under implementation since 2018. More specifically, the LMC Project 1 on “Joint Development of Cross-Border Special Economic Zones (SEZs)” aimed to promote Cross Border SEZs in the LM countries, foster coordination among SEZs authorities and stakeholders, boost trade and investment both from within and outside the sub-region, improve supply chain, upgrade production base, facilitate and enhance trade, as well as reduce poverty, and better the livelihood of the people. While the LMC Project 2 on “Upgrading Border Facilitation for Trade and Logistics Development” is designed to support policy and structural reforms so as to improve the key elements or factors of cross-border trade, and seek to enhance appreciation, knowledge and skills for greater efficiency in managing trade activities and travel flows as well as ensuring security compliance.

The aforementioned projects included several studies related to Special Economic Zones (SEZs) development, improvement of infrastructures and regulations for cross-border SEZs and customs modernization. These studies have further specified the project scope, defined training contents and implementation strategy to match complementariness in border SEZs, and identified prioritized areas for facilitating cooperation between stakeholders in six LM countries. The study results have been used to design and deliver trainings on SEZ Management for related SEZ authorities and Coordinated Border Management from concerned agencies involved in cross border trade, logistics and SEZ.

Meanwhile, through capacity building initiatives for related stakeholders, a comprehensive Economic Zones (EZs) Online Information System platform is in progress to service as virtual EZs information services center for LM countries to provide relevant one-stop service information to SEZ operators, investors, exporters and importers.

¹ Lancang-Mekong Cooperation China Secretariat, http://www.lmcchina.org/eng/hzdt_1/t1525364.htm, January 12, 2018.

In order to enhance knowledge and gain field experience, it is important to visit successful SEZs. The structured learning visit (SLV) organised on December 8-14, 2019 to visit Shanghai Pilot Free Trade Zone (FTZ) for SEZs policy makers and authorities and the China-Laos Mohan-Boten Economic Cooperation Zone. The purpose of the SLV was to learn the best practices of FTZ and CBEZ development in China, to form insights on the key successful elements of SEZs and CBEZs development including coordination and cooperation mechanism and synchronization of rules and regulations between stakeholders from two bordering countries, SEZs and CBEZs planning and operational strategies and procedures etc.

2. Objectives and Outcomes

2.1. Objectives

The overall objectives of the SLV were to understand the significance of SEZs and CBEZs contributed to business operations, trade and investment. The specific objectives of the SLV were:

i) To learn & understand	<p>key elements of pilot FTZ and CBEZs development including</p> <ul style="list-style-type: none"> • coordination and cooperation mechanism • synchronization of rules and regulations • SEZs and CBEZs planning and operational strategies and procedures • facilities and infrastructure • policy initiatives, trade facilitation measures • special financial and taxation innovations and • investment incentives etc
ii) To provide inputs	for national strategy policy formulation and capacity building activities for Trade Zones and CBEZs promotion in LM countries
iii) To share best practices, exchange of knowledge and develop networking opportunities	between FTZs and CBEZs authorities and the participants
iv) To offer business networking	between Trade Zones and CBEZs authorities and the participants so as to attract investment for developing Trade Zones and CBEZs in the LM Mekong countries
v) To collate and identify information	for preparing the case studies by the participants

2.2. Expected Outcomes

At the end of the program, the participants should be able to gain understanding of the development process, management and functioning of Trade Zones and CBEZs to adopt/introduce similar models in their country. Furthermore, the participants will be able to:



3. The Delegation

A total of twenty-six (26) delegates from Cambodia, P.R. China, Lao PDR, Myanmar, Thailand, Vietnam and MI attended the SLV. Among them, 50% are female. In terms of sectors, there was one delegate as a private sector from Phnom Penh SEZ and 25 delegates from public sector, representing senior officials from national ministries related to commerce, industry, planning and investment and management bodies of special economic zone development of six LM countries.

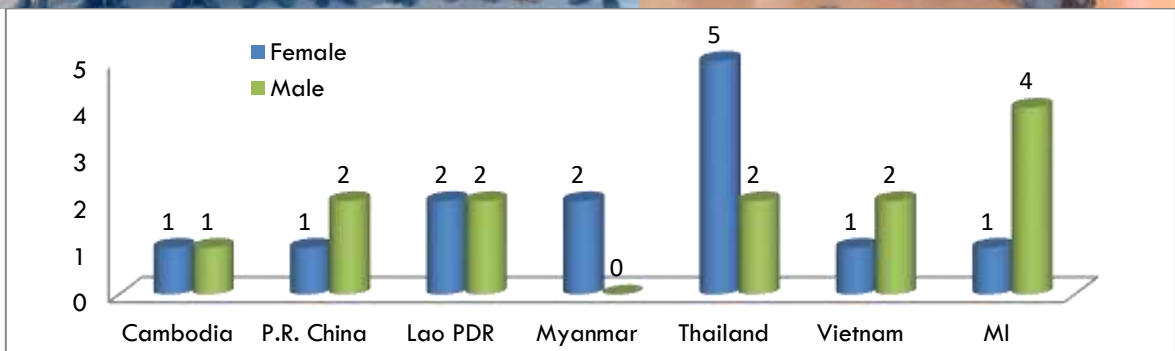


Figure 1: Numbers of Delegates by Country and Gender

4. Summary of SLV Program

The structure of the SLV program comprised of four features which contributed to each other as follows:

- i. Preparation Questions Prior to the SLV: the delegate encouraged to prepare his/her specific expectations and questions to ensure that their learning interests will be fulfilled, as well as the discussions with zone management authorities will be aligned with the objectives of the SLV.
- ii. Debriefing Session: A half-day debriefing session organized on Monday morning on December 9, 2019 to introduce the project background, the objectives, expected outcomes and agenda of the SLV. The session also covered self-introduction, self-assessment and specific presentations on studies finding and SEZ development in China. At the end of session, the delegates shared their expectations according to each delegate's background and interests. In addition, each country group guided to allocate proper learning tasks to their group members. Each country group is expected to prepare questions to discuss, learn and collect useful information, best practices and experiences from the meetings and visits of the SLV. The collected information helped delegates to prepare their country case studies, which should reflect their learning results on the importance aspects of Trade Zone and CBEZs development.
- iii. Meetings and Study Tour. The delegates met and discussed with the site's representatives in China and Lao PDR on December 9-12, 2019 to exchange information, build up networking and foster collaboration with stakeholders of SEZs and CBEZ so as to expand trade and investment opportunities inside and outside the LM region. The site visits were
 - 1) Shanghai Pudong Expo, managed by Bureau of External Communication of Shanghai Pilot Free Trade Zone;
 - 2) Waigaoqiao Wine (International) Exhibition and Trading Center and Australian Commodity Centre, Waigaoqiao Country (Region) Commodity Center, managed by Waigaoqiao Free Trade Zone Administration;
 - 3) Mohan Economic Cooperation Zone, P.R. China; and
 - 4) Boten Special Economic Zone, Lao PDR.
- iv. Synthesis and Evaluation of the SLV. It organized on the last day of the SLV on December 13, 2019 to reflect the gained knowledge and information from the visits. The country of delegates highlighted the key takeaways to provide recommendations for national strategy and specific development projects on trade zones and CBEZs in their country including the border areas.

4.1. Expectations to the SLV

The delegates shared his/her expectations to the SLV as following.

Delegations' Expectations	
Cambodia	<ul style="list-style-type: none">▪ To enhance knowledge about SEZ management and gain deeper understanding toward the difference between two countries in terms of SEZ operation, government policies.▪ To get more practical experiences relate to SEZ;▪ Sharing experiences, learning from each other to improve current working capacity;▪ Tight up relationship with new people and neighboring countries' friends;

Delegations' Expectations

- To learn the way that the two countries cooperate, in which field, by what kind of way, and how they take each other's advantage to achieve win-win development for both countries.

China

- To understand the construction progress of Shanghai Free Trade Zone on the spot and learn from their good experiences and practices.
- To gain the latest construction progress in Mohan-Boten economic Cooperation Zone of China and Laos.
- To learn more about the valuable experience and working methods of Shanghai Pilot Free Trade Zone and China-Laos Mohan Boten Economic Cooperation Zone.

Lao PDR

- The implementation of the OSS in the Shanghai Pilot Free Trade Zone.
- To learn new practical knowledge about the Free Trade Zone Implementation, especially on the legal aspect, implementation regulation and investment.
- To see the progressive development of SEZs with modern city.
- Investment types in SEZs and CBEZs.
- Tasks system on SEZs and CBEZs.
- Authorities and investors coordination.

Myanmar

- To enhance knowledge on the SEZ area;
- Conduct networking opportunities of SEZ, FTZ design, development and implementation of cross-border strategies;
- To learn international best practice to enable to fulfill some areas which are needed to reform in order to promote investment and to facilitate trade.

Thailand

- To have opportunities to explore new and interesting development experience of China, success factors, relevant measures, management and functioning of Shanghai Pilot Free Trade Zone and China-Lao Mohan-Boten Economic Cooperation Zone.
- To learn and share experience in developing economic zones with the delegates of Lancang-Mekong countries;
- To gain experience about the role of private sectors for the development of economic zones in order to widen experience;
- To foster relationships and build networks with the delegates of the Lancang-Mekong countries involved in the specific area development;
- To learn all aspects of policy formulation to create joint cooperation and strategy design to meet satisfaction of stakeholders.
- To get the updating information from others country to support and can be applied to develop Chiang Rai Special Economic Development Zone.

Vietnam

- To learn about the practice of the development of free trade zone and CBEZ in China, thus improving knowledge of the model and strategic orientation in socio-economic development of China and the establishment, development of SEZs and CBEZs;
- Learning new knowledge as well as new experience, strengthen the relationship with Mekong Institute for future cooperation in training activities, discovering new destination and expanding regional networking via having new friends and relationships;
- To learn about the development model of the Border Economic Zones (in terms of physical structure, management, trade and investment activities, policies, mechanisms, promotion strategies to attract investment to the Zone).

4.2. Debriefing session on the SLV activity

4.2.1 Welcome and Opening Remarks

Prior to the field visit, a half-day debriefing session of the SLV was co-chaired by Mrs. Auramon Supthaweethum, Director-General of the Department of Trade Negotiations (DTNs), Ministry of Commerce of Thailand, and Dr. Watcharas Leelawath, Executive Director of MI on the morning of December 9, 2019 in Shanghai, P.R. China.



4.2.2 Project Overview and Introduction of the SLV

Mr. Madhurjya Kumar Dutta, Director, Trade and Investment Facilitation Department (TIF), presented activities under the four Lancang-Mekong Cooperation (LMC) projects which have been implementing by MI since 2018. The activities are summarized in the table below.



Projects	List of Activities
Joint Development of Cross-Border Special Economic Zones (LMC Project 1)	<ul style="list-style-type: none"> ▪ Conducted joint study and survey of SEZs within Lancang-Mekong region to match complementary SEZs and identify prioritized areas June – September 2018; ▪ Presented results of the Joint Study and Survey of SEZs in Lancang-Mekong region on Sep 27, 2018. ▪ Conducted modular training on Management of Special Economic Zones in Lancang- Mekong Countries, Sep 24-28, 2018; ▪ Supported Technical Assistant (TA) and Monitoring the Implementation of Action Plans (6) during Oct 2018 – Nov 2019; ▪ Conducted Synthesis and Evaluation Workshop of the Modular Training, Feb 12-13, 2019. ▪ Conducted modular training on Enhancement of Business Connections and Information Sharing of One Stop Service Centers and Business Centers between SEZs in LM region on August 5-9, 2019; ▪ Online EZ Information System to serve as virtual EZs information services center for LM countries (Processing). ▪ TA and Monitoring the Implementation of Action Plans (Processing). ▪ S&E Workshop of the Modular Training (Processing). ▪ Conducted Structured Learning Visit to learn best practices and successful models from other SEZs especially those in China, December 8-14, 2019.
Upgrading Border Facilitation for Trade and Logistics Development (LMC Project 2)	<ul style="list-style-type: none"> ▪ Conducted study on Improvement of infrastructures and regulations for cross- border SEZs, May – July 2018; ▪ Conducted regional consultative workshop on “Upgrading Border Facilitation for Trade and Logistics Development, Khon Kaen, Thailand, December 21, 2018; ▪ Conducted study on Customs Modernization: April – December 2019;

Projects	List of Activities
	<ul style="list-style-type: none"> ▪ Conducted study on Management and Promotion of SEZs, August – December 2019; ▪ Presented study dissemination and policy consultation workshop on (i) Customs Modernization and (ii) Management and Promotion of Special Economic Zones (SEZs) in the Lancang-Mekong Sub-region: Dec 20, 2019, Bangkok; ▪ Conducted training program on Coordinated Border Management (CBM) : March 25 – 27, 2019 ▪ TA and API on on Coordinated Border Management (CBM) : Apr – July, 2019 ▪ Synthesis and Evaluation Workshop, July 9-11, 2019 ▪ Conducted training on information requirements for SEZs in the LM sub-region, December 16 – 19, 2019 ▪ Study on core trade infrastructure and facilities in the border areas in LM countries, dissemination workshop and policy consultation meeting (in process); ▪ Establishing a networking Forum between Lancang Mekong Countries as platform to promote trade and Investment (in process), ▪ Development of web-based information system of SEZs in the LM sub-region and S&E Workshop ▪ Training course on Enhancing Trade Competitiveness for Goods and Services (in process) ▪ Training program on facilitating cross border electronic transactions and the use of electronic signatures and Synthesis and Evaluation Workshop (in process)
Lancang-Mekong Business Forum (LMC Project 3)	<ul style="list-style-type: none"> ▪ Organized the Lancang – Mekong Business Forum 2018 : November 15-16, BKK ▪ Organized the 2nd Lancang – Mekong Business Forum on Nov 7-8, 2019 in Ho Chi Minh City on “Promoting Agribusiness and Investment in Processed Food Sector”. ▪ The Third Business forum held in one of the LM country, Business/ Investment progress monitoring and Annual Report (in process)
Rural E-Commerce Development (LMC Project 4)	<ul style="list-style-type: none"> ▪ Conducted Baseline Study, six LM countries, May – August 2018 ▪ Implemented 1st modular training program on Rural E-Commerce Development in Lancang-Mekong countries was organized on Oct 22-26, 2018 ▪ Group API– National Workshops on Rural E-Commerce Development in LM countries, Nov 2018 – Jan 2019; ▪ Online S&E of the 1st Training on “Rural E-Commerce Development in LM countries”, Feb 25 – Mar 8, 2019 ▪ Conducted the Second Cycle of Regional Modular Training on Rural E-Commerce Development in LM countries, Mar 25-29, 2019, MI, ▪ Monitored APs – implement e-market plan and validate it from April to September 2019 ▪ Final Evaluation of Project on Rural E-Commerce Development in Lancang-Mekong Countries and Preparatory Workshop for Policy Paper (in process)

Mr. Dutta has emphasized the importance of the mentioned activities which it aligned with the SLV’s aiming as following;

- Promoting Cross Border SEZs in the LM countries,
- Fostering coordination among SEZs authorities and stakeholders,
- Boosting trade and investment both from within and outside the sub-region,
- Improving supply chain,
- Upgrading production base, and
- Facilitating and enhancing trade, as well as reducing poverty, and better the livelihood of the people.

In the session, Mr. Dutta presented the objectives, key activities and arrangement of the SLV. He inspired delegates to observe and discuss the following areas during the SLV so as to take away to home countries or enhancing and improving related practices. The country-group presentation was assigned for making presentation on last day of the trip. The areas for the presentation covered on following topics.

Policies	•Free trade zone / Economic Zone Policies
Management & Promotion	•Free trade zone / EZ management and investment promotion
Technology	•Smart technology use in Free Trade Zone / EZ especially IOT and AI
Logistics	•Green Technology in logistics facilities especially warehouse, container terminal etc. and Modern/ Smart logistics
One Stop Service	•Enterprise service centre /one stop service facility
E-Platform	•E-Customs & Cross Border E-Commerce
Capacity Building Activities	•Capacity building activities for promotion of Trade Zones and CBEZs;

Following the project overview and introduction of the SLV, two MI staff shared the research findings on SEZs and Cross Border Economic Zones under two LMC projects on Joint Development of Cross-Border Special Economic Zones (LMC Project 1) and Upgrading Border Facilitation for Trade and Logistics Development (LMC Project 2).

4.2.3 Main Findings on the Joint Study and Survey of SEZs and Cross Border Economic Zones (CBEZs) to Match Complementary SEZs and Identify Prioritized Areas

Mr. Sa-nga Sattanun, Program Manager of TIF, MI shared the study findings which was part of the three-year LMC Project on Joint Development of Cross-Border Special Economic Zones (LMC Project 1). Mr. Sattanun presented that the study applied various methodologies including desk research, field visits, key informants interview and focus group discussion with over 135 representatives from public and private sector. The findings and recommendations of the study contributed to the curriculum of a modular training on management of SEZs/CBEZs which was held in September 24-28, 2018. The results of the study were validated at a workshop in Chiang Rai on Aug 6, 2018 and the final results were shared at the modular training in September 2018 at MI. Below is the summary of findings of the study.



Issue	Brief Information
Success Factors and Best Practices	<ul style="list-style-type: none"> ▪ Success factors of CBEZs in LM region are based on strong economic complementarities & clusters ▪ Best practices : <ul style="list-style-type: none"> ○ E-locks and smart tax ○ Direct payment to MOF, only officers in final destination can unlock containers ○ Toyota (Poipet SEZ) - helped SMEs invest in SEZ ○ Wholesale markets at borders - Piangxian (PRC)
Challenges	<ul style="list-style-type: none"> ▪ Lack of coordination ▪ May trigger competitive rather than complimentary development of BDEZs ▪ Harmonize BEZ development plans, trade-related policies, laws, and regulations ▪ Management & practices in SEZs may fall short of expectations. ▪ Contributing to sustainable development: land, labour and environmental issues.
Capacity Building Activities	<p>Customs Officials</p> <ul style="list-style-type: none"> ▪ Harmonization of policy and joint implementation ▪ Single windows ▪ Paperless procedures and e-tax ▪ Agricultural inspection ▪ Joint training on implementation of customs procedures at the border <p>EZ / SEZs Authorities</p> <ul style="list-style-type: none"> ▪ Identification, development, and promotion of clusters; ▪ Basic SEZ management practices incl. establishment of management committee and joint ventures, and development of framework agreements; ▪ Collection analysis and dissemination of data related to trade and investment in BEZs, job creation, revenues ▪ Trade facilitation, warehouse service management ▪ Environmental protection, Waste management ▪ Promotion and marketing ▪ Strategic environmental assessments, environmental impact assessments, Land acquisition procedures, resettlement and compensation, international standards related to labour relations, grievance mechanisms, dispute resolution, and community relations <p>Chamber of Commerce / Private Sector</p> <ul style="list-style-type: none"> ▪ Training opportunities to help SMEs get the most out of SEZs ▪ Light manufacturing, food and beverages, construction materials ▪ Agriculture quality assurance including sanitary and phytosanitary procedures for animals and people ▪ Green agriculture ▪ Eco-tourism ▪ Technology and marketing to enhance value added of key export products of CLMV countries ▪ Trade negotiations focusing on specific border points.

Issue	Brief Information
Propose for Further Discussion	<p>Local stakeholders</p> <ul style="list-style-type: none"> ▪ Identification of economic complementarities at specific border points ▪ Development of clear and coherent strategic vision and plans for each border point to co-develop border areas based on complementarities and mutual benefits ▪ Cross-border consultations <p>National Level Officials</p> <ul style="list-style-type: none"> ▪ Liaise between local stakeholders and authorities responsible for developing SEZs, ▪ Addressing labour shortages, such as vocational training and recruitment agencies ▪ Addressing trade imbalances and upgrading LDC industrial capacity for domestic consumption and export ▪ Issuance of certificates of origin for border areas and to SMEs <p>High level meeting between senior officials responsible for development of SEZs</p> <ul style="list-style-type: none"> ▪ Development of shared strategy for joint development of border areas.
Recommendations	<ul style="list-style-type: none"> ▪ The project may prioritize providing assistance to upgrade trade facilitation measures at border crossings across the region. ▪ Soft infrastructure could be harmonized and streamlined to promote cross-border trade. ▪ Clear and coherent visions and strategies for the joint development of border areas are needed reflecting local and national conditions and interests, inclusive of public and private sector, civil society and local communities. ▪ The project should consider activities to address concerns of CLMV countries about trade imbalances, barriers to entry for SMEs, and massive investments in hard infrastructure required to develop border SEZs and CBSEZs and contribute to balanced development and mutual benefit.

4.2.4 Preliminary Finding of Study on SEZ Management and Promotion in the LM countries.

Mr. Quan Anh Nguyen, Program Specialist of TIF, MI shared the preliminary study findings, which is part of the three-year LMC Project on Upgrading Border Facilitation for Trade and Logistics Development (LMC Project 2). The study focus on SEZ planning, operations and economic outcomes in line with the SEZ management and promotion roles of the central governments, local authorities, SEZ developers and SEZ investors. The study aimed to



- Analyze the current management and promotion practices and performance of the SEZs based on the key success factors, such as laws and regulations, government policies, ownership types, investment incentives, management and services, labors, and so on.
- Contribute to policy development and technical solutions to better management and promotion of SEZs in the LM countries.

The study methodologies covered desk review, stakeholder consultation and SEZ firm survey. The study mostly focused on the border gate economic zones (BGEZs)/special border economic zones (SBEZs) in line with the principle that the LM countries have embraced SEZs to maximize the geographic advantage of their proximity to target foreign investment and foreign markets to offer better economic connection, take advantages arisen from resources available in the neighboring countries, and develop potential for cross-border investment and trade. Below is the summary of involvement of the study, key primary finding and recommendations.

involvement of the study	<ul style="list-style-type: none"> <input type="checkbox"/> No. of locations visited: <ul style="list-style-type: none"> (i) Council for the Development of Cambodia (CDC), Manhattan SEZ; (ii) Ministry of Commerce, Thilawa SEZ; (iii) National Social and Economic Development Council (NSEDC), Mae Sot and Chiang Rai SEZs; (iv) SEZ Promotion and Management Office (SEZO), SAVAN Park; (v) Ministry of Planning and Investment (MPI), Dong Dang – Lang Son Border Gate Economic Zone, and (vi) Shanghai Free Trade Zone in China. <input type="checkbox"/> A total of 70 representatives in Cambodia, Lao PDR, Myanmar, Thailand, and Viet Nam partook in the consultations. <input type="checkbox"/> SEZ firm surveys: <ul style="list-style-type: none"> (i) 15 companies in Thilawa SEZ and 20 companies in SAVAN PARK have provided responses, respectively. (ii) The responses from Manhattan SEZ, Mae Sot SEZ, Dong Dang–Lang Son Border Gate Economic Zone have still been pending.
key Preliminary Findings	<ul style="list-style-type: none"> <input type="checkbox"/> SEZ development (planning, establishment, promotion and management) is governed by the national institutional and regulatory framework in each of the LM countries. Cambodia and Thailand have drafted their laws on SEZs but they have yet to come into effect till this point in time. In this connection, Myanmar is the only country governing its SEZs by the national law. <input type="checkbox"/> All countries have adopted international practices and universal concept of special economic zones (SEZs)/economic zones (EZs) to design their own concepts. As a matter of fact, SEZ definition varies in degree among the LM countries in terms of SEZ scope and typology, and investment incentives applied. <input type="checkbox"/> Industries currently invested in SEZs are not fully aligned with the national industrial development policies and strategies. <input type="checkbox"/> Except for the case of Myanmar, the effectiveness of OSSCs in facilitating investment and trade in SEZs is not clear. <input type="checkbox"/> Limited linkages to local economies, especially manufacturing industries in SEZs, except for local labor supplies (local SMEs’ joining the GVC/production network is still limited) <input type="checkbox"/> Effective system(s)/mechanism(s) to measure and evaluate the performance and economic outcomes of SEZs from planning to implementation has not been seen. <input type="checkbox"/> Lack of comprehensive/integrated SEZ information system in support of business plans and development of developers and investors. <input type="checkbox"/> Slow infrastructure construction progress in SEZs caused by limited access to land and land price escalation may slow down SEZ development.

Recommendations

- ❑ Establishment of monitoring and evaluation mechanism/system at the central level in a close connection with SEZs;
- ❑ Enhancement of the OSSC functions through capacity development for organizations and individuals in charge/involved in public services provided by OSSCs;
- ❑ Engagement of the participation of the private sector in SEZ management and promotion to increase efficiency and effectiveness in SEZ development;
- ❑ Further improvement in policies on Investment Privileges and incentives for SEZs that make SEZ really "special" in order to attract high quality investment projects in SEZs;
- ❑ Further streamlining SEZ promotion scheme at both national and sub-national levels;
- ❑ Capacity development for SEZ developers/SEZ Management Boards in such areas as investment promotion, SEZ management including safety and environmental protection in SEZs.

4.2.5 Presentation on Development of Special Economic Zones in P.R. China and the Open Economic Development Zone in Yunnan Province

Mr. Huang Weili, representative of Economic Development Zone Division, Department of Commerce of Yunnan Province presented the overview of the development of Special Economic Zones in P.R. China and the Open-up Economic Zone Development in Yunnan province.



Mr. Huang briefly introduced the development history and development models of economic zones in P.R. China since 1980s. Summary is briefed as followings.

List of Zone	Brief Information
Special Economic Zones (SEZs)	<ul style="list-style-type: none"> ▪ Seven (7) SEZs were established in China gradually in the period of 1980 – 2010, ▪ Among them, Shenzhen SEZ was established in 1980 as the first SEZ in the P.R. China, ▪ Six other SEZs have since been established in <ul style="list-style-type: none"> - Zhuhai and Shantou in Guangdong Province, - Xiamen in Fujian Province, - The entire island province of Hainan, - Kashgar SEZ and - Horgos in Xinjiang Province. ▪ The SEZs were granted by the China government with more free market-oriented economic policies and flexible governmental measures, compared to the planned economy elsewhere. ▪ This allows SEZs to utilize economic management and tax incentives to attract foreign and domestic business, investment and technologies. ▪ Besides, there are 552 development zones approved by the State Council since 1984, which include; <ul style="list-style-type: none"> - 219 economic and technological development zones, - 156 high tech industrial development zones,

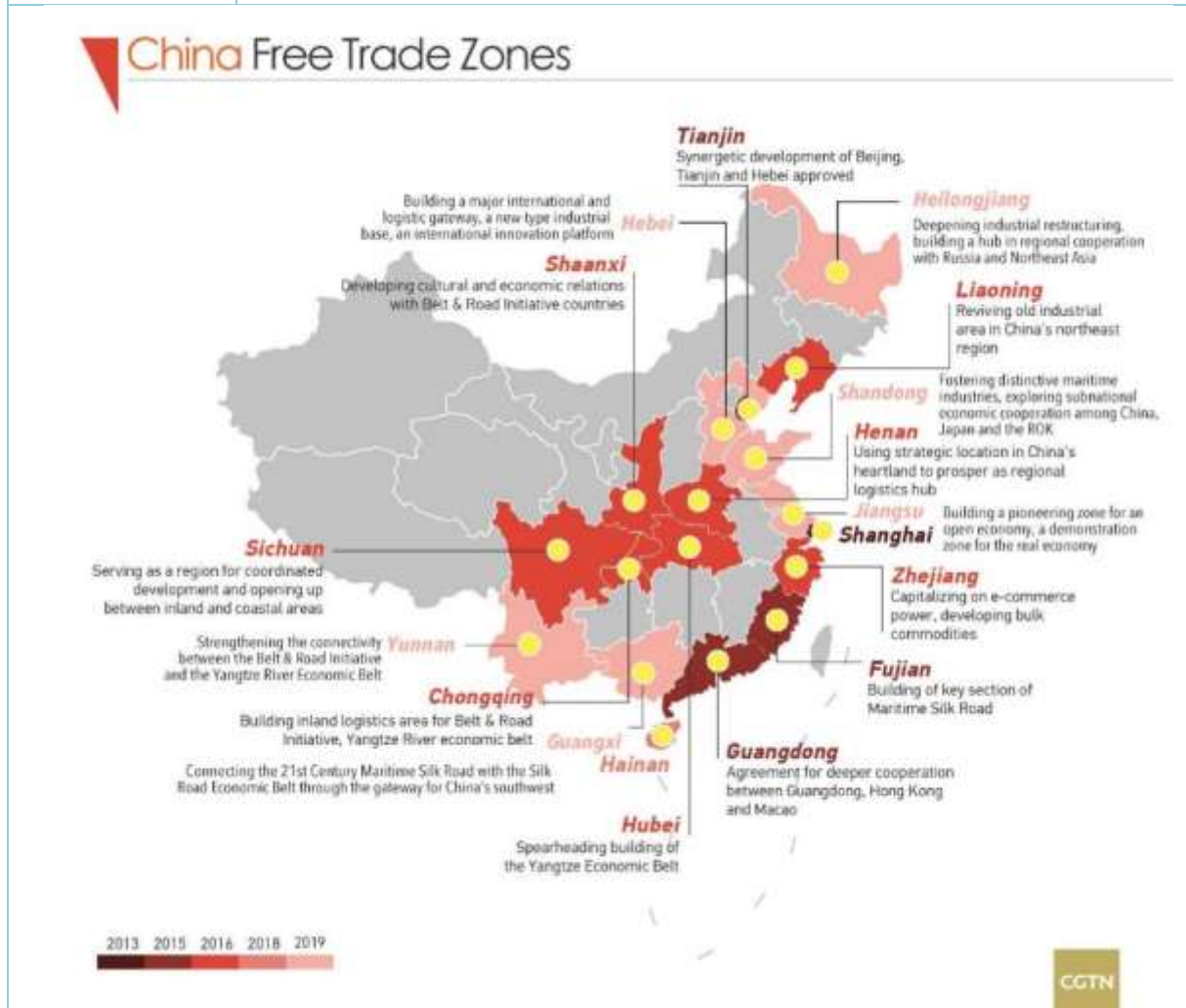
List of Zone	Brief Information
	<ul style="list-style-type: none"> - 135 customs special supervision areas, - 19 border/cross-border economic cooperation zones and - 23 other types of development zones.
Economic and technological development zones	<ul style="list-style-type: none"> ▪ There are 219 economic and technological development zones; ▪ It aims to carry out necessary infrastructure construction, and focus on one or two Industry in appropriate areas; ▪ At the same time, appropriate support and preferential treatment are given to enable the rapid region's economic development; ▪ Among them, five (5) national economic and technological development zones located in Yunnan Province under the administration of the Department of Commerce of Yunnan Province namely <ul style="list-style-type: none"> - Kunming, - Dali, - Qujing, - Yanglin and Mengzi
High tech industrial development zones	<ul style="list-style-type: none"> ▪ There are 156 high-tech industrial development zones; ▪ It focusses on the development of some knowledge-intensive and technology-intensive industries related to electronic information, new materials, biological engineering, new energy, medical care, etc. which are mostly located in in some large and medium cities and coastal areas of China. ▪ Among them, three (3) High-tech Development Zones established in Yunnan Province under the administration of the Provincial Science and Technology Department namely; <ul style="list-style-type: none"> - Kunming, - Yuxi and - Chuxiong
Special customs supervision areas	<ul style="list-style-type: none"> ▪ It introduced since 1990; ▪ There are 135 special customs supervision areas with six types as follows <ul style="list-style-type: none"> - Bonded zones to export processing zones, - Bonded logistics parks, - Bonded ports, - Cross-border industrial zones, and - Comprehensive Bonded Zones (CBZs) ▪ A common feature is that goods are allowed to enter these areas free from customs duty and other import taxes. ▪ However, each type has its own characteristics, advantages and limitations when engaging in different businesses due to the different functions of each type. ▪ In 2012 the State Council published the guidance to propose the existing export processing zones, bonded logistics parks, bonded ports, cross-border industrial zones, and other eligible bonded zones be gradually converted into CBZs with unified requirements. ▪ In principle, any newly established special supervision area would be a CBZ. ▪ In 2019, the CBZs aim to develop as globally advanced centres for the following five types of operations: <ol style="list-style-type: none"> 1) processing and manufacturing; 2) research, development and design; 3) logistics and distribution; 4) inspection and maintenance; and

List of Zone	Brief Information
	<p>5) sales and services.</p> <ul style="list-style-type: none"> ▪ These operations will provide favourable support for the development of a more open economy, the expansion of foreign trade, and the cultivation of new business models.”² ▪ It is located in ports, stations, airports, border crossings points, international mail exchange bureaus (exchange stations) and other places with customs supervision operations, as well as entry and exit points approved by the State Council. ▪ It is closely associated with the development progress of various types of economic zones in China.
<p>Border economic cooperation zones (BECZs) and cross-border economic cooperation zones (CBECZ)</p>	<ul style="list-style-type: none"> ▪ The State Council has approved the CBECZ since 1992; ▪ There are 17 BECZs and ratified two (2) CBECZs with its neighbouring countries, i.e. China-Kazakhstan Horgos International Border Cooperation Center and China-Laos Mohan-Boten CBECZ. ▪ With the Belt and Road Initiative, the CBECZ is a close cooperation mechanism between the border areas between the two countries. ▪ Based on the existing BECZs, in a specific area near the border between the two countries, two governments agreed to grant special fiscal and taxation, investment and trade, and supporting industrial policies to the areas to dock the complementary industrial and resource advantages of the border areas of two neighboring countries, which in turn to drive the economic development of border areas. ▪ The special agreed cross-border customs supervision policies were applied in the specific area of the zone. ▪ In Yunnan province, beside of the ratified China-Laos Mohan-Boten CBECZ, the China-Myanmar Ruili-Muse CBECZ and China-Vietnam Hekou-Lao Cai CBECZ are under development.
<p>Pilot Free Trade Zone (PFTZ)</p>	<ul style="list-style-type: none"> ▪ Free Zone means “a part of the territory of a Contracting Party where any goods introduced are generally regarded, insofar as import duties and taxes are concerned, as being outside the Customs territory”³ (Referring the definition mentioned in Kyoto Convention of World Customs Organization; ▪ The FTZ is characterized as a small area within a customs territory, which is the behavior of a single sovereign country (region); ▪ Ideally, it is necessary to segregate fences, and to implement duty-free or bonded duties on the goods entering the zone, rather than reducing tariffs; ▪ At present, the free ports and free trade zones established separately in many countries, such as Hamburg Freeport in Germany and Cologne Free Trade Area in Panama. ▪ As of 2019, the China State Council has approved the establishment of 18 Pilot Free Trade Zones (PFTZ) in China; ▪ Of which, the China (Shanghai) Pilot Free Trade Zone was the first approved FTZ on 17 August 2013. ▪ The PFTZ will serve as pioneers of China’s reform and opening up system which will test new styles of a series of institutional innovations in

² Additional information added by the report author, by referring “China: New Policies for Comprehensive Bonded Zones”, KPMG, Feb. 28, 2019, at <https://home.kpmg/xx/en/home/insights/2019/02/tmf-china-new-policies-for-comprehensive-bonded-zones.html>

³ Kyoto Convention, World Customs Organization, 2008, http://www.wcoomd.org/en/topics/facilitation/instrument-and-tools/conventions/pf_revised_kyoto_conv/kyoto_new/spand.aspx

List of Zone	Brief Information
	<p>investment, finance, trade facilitation and transformation of government functions to better integrate the economy with international practices;</p> <ul style="list-style-type: none"> ▪ With a set of foreign investment policies suitable for the international economy, the PFTA is considered as the highest degree of opening up, the most convenient operating mechanism, and the most preferential policies in China. ▪ In essence, has gone beyond the functional positioning of special customs supervision areas. ▪ Each PFTZ in China will carry out distinctive and differentiated pilot reform tasks.



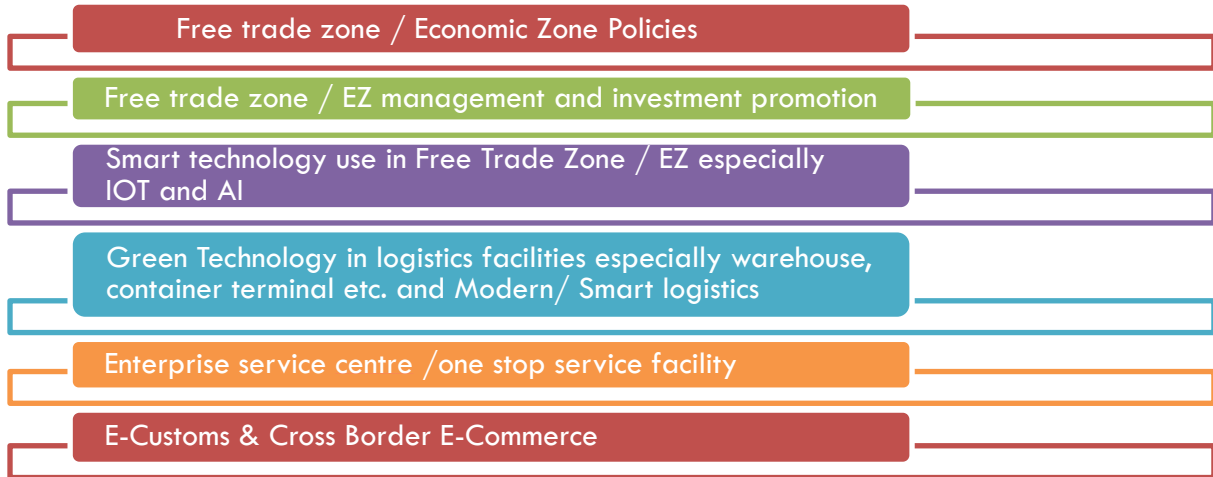
4.3. Structured Learning Visits and Key Areas for Discussions

The delegates met and discussed with the site's representatives in China and Lao PDR on December 9-12, 2019 to exchange information, build up networking and foster collaboration with stakeholders of SEZs and CBEZ so as to expand trade and investment opportunities inside and outside the LM region. The sites were

- 1) Shanghai Pudong Expo, managed by Bureau of External Communication of Shanghai Pilot Free Trade Zone;
- 2) Waigaoqiao Wine (International) Exhibition and Trading Center and Australian Commodity Centre, Waigaoqiao Country (Region) Commodity Center, managed by Waigaoqiao Free Trade Zone Administration;

- 3) Mohan Economic Cooperation Zone, P.R. China; and
- 4) Boten Special Economic Zone, Lao PDR.

During the visiting, six key areas were discussed as followings;



The summary of the visits is given below.

Issue	Brief Information
<p>Location: The China (Shanghai) Pilot Free Trade Zone (SHFTZ) Date: December 9, 2019</p>	
<p>General Information</p>	<ul style="list-style-type: none"> ▪ It's a regional free trade zone founded by the government of China; ▪ Established on September 29, 2013; ▪ Located in Pudong New Area of Shanghai; ▪ Originally consisted of <ul style="list-style-type: none"> ▪ Waigaoqiao Free Trade Zone, ▪ Waigaoqiao Free Trade Logistics Park, ▪ Yangshan Free Trade Port Area and ▪ Pudong Airport Free Trade Zone.
<p>Free trade zone Policy</p>	<ul style="list-style-type: none"> ▪ April 18th, 1990, advocated by Deng Xiaoping, the General Designer of China's reform and opening-up policy; ▪ The Central Committee and the State Council announced the development and opening-up of Pudong, Shanghai.
<p>Free trade zone Management and Investment Promotion</p>	<ul style="list-style-type: none"> ▪ December 28, 2014, the State Council decided to expand SHFTZ by incorporating Lujiazui Financial and Trade Zone, Jinqiao Economic and Technological Development Zone, and Zhangjiang Hi-Tech Park, enlarging the SHFTZ from 28.78 square kilometers to 120.72 square kilometers. ▪ For 20 years, Pudong has made great achievements that attract worldwide attention, and explored a high-standard and leap-forward development approach.

Issue

Brief Information

- Pudong is honored as the “symbol of China’s reform and opening-up” and the “epitome of Shanghai’s modernization”.
- To celebrate the 20th anniversary of Pudong’s development and opening-up, Pudong New Area holds the “Exhibition of Pudong New Area’s Development and Opening-up” in Pudong Expo.
- The Exhibition systematically showcases the glorious experiences and significant achievements in Pudong’s development and opening-up for 20 years and foresees the brilliant future 10 years ahead.
- As a permanent exposition with a showcase area of about 5,000 square meters, the Exhibition consists of three parts, i.e., achievements, planning, services and products.

Source: Exhibition of Pudong New Area’s Development and Opening-up, http://www.pdzlq.com/jsp/ww/gk_zljj.html



Source: http://en.china-shftz.gov.cn/2018-08/17/c_263780.htm



Issue

Brief Information



Location: Waigaoqiao Wine (International) Exhibition and Trading Center
Date: December 9, 2019

General Information

- Established in November 2008;
- The Center showcases over 4,000 categories of wines either from international wine producers and traders in over 20 countries.

Free trade zone Policy

- To make use of the mature international trade functions and display and trading policies of the bonded zone, with efficient professional services and strong policy support;

Issue	Brief Information
Free trade zone Management and Investment Promotion	<ul style="list-style-type: none"> ▪ To create a comprehensive integrated service platform for the display and promotion of imported wine products, and to facilitate wine culture exchange. ▪ With the support of relevant government functional departments such as customs and commodity inspection, the Center was established as the pilot project service to provide comprehensive public service platform to improve trade facilitation for reducing the cost and efficient entry of foreign wines into China market. ▪ The Liquor Inspection Center of the Quarantine Bureau has settled in Waigaoqiao in July 2012 to help customers reduce costs, improve operational efficiency, and quickly enter the domestic market. ▪ Before the foreign producers and traders identified distributors in China, the Center will provide promotion and business matching services. ▪ As of 2018, the Center has attracted over 300 business members to set up their wine booths and has fostered cooperation with many wine associations and professional agencies in world wide. ▪ In particular, the small and medium sized domestic and international producers and traders have been well benefited from the center to reduce cost for market entry. ▪ According to statistics, the import trade volume of alcoholic products in Waigaoqiao Free Trade Zone exceeded USD 1 billion in 2017, accounting for 75% of the total import value of Shanghai Port. ▪ Domestic distributors can also go to the center to see samples, negotiate and place orders, and they can purchase international wine products without going abroad. ▪ In order to shorten the intermediate trade links, the center is undergoing a strategic transformation from a "display center" to a "wine distribution center".
Professional one stop services facility	<div style="display: flex; justify-content: space-around;">   </div> <ul style="list-style-type: none"> ▪ It has innovated functions such as "price preparation, fast customs clearance", "marking appointment for commodity inspection", "fast certificate issuance", "batch exit, and centralized declaration" and other functions. ▪ The Center also provides customers with one-stop professional services such as long-term display, product promotion, professional training, product release, trade negotiation, import agency, logistics distribution, and business consulting. ▪ Customers can conduct long-term display and promotion of alcohol in the center at low cost, and use the center's convenience of commodity

Issue	Brief Information
	<p>inspection and customs and logistics capabilities to quickly distribute their products to customers in the Chinese market.</p> <ul style="list-style-type: none"> ▪ At the same time, it can also help customers achieve effective docking with the domestic market.

Issue	Brief Information
<p>Location: Australian Commodity Centre of Waigaoqiao Country (Region) Commodity Center Date: December 9, 2019</p>	
<p>General Information</p>	<ul style="list-style-type: none"> ▪ The Australian Commodity Centre is the first country (region) commodity centre built in the free trade zone. It opened on May 30, 2014. ▪ Established by the operating center of Waigaoqiao Group Co., Ltd. to serves small and medium-sized enterprises in various countries. ▪ The center uses the "Integration of Exhibition and Sales" model to aggregate Australian and Chinese high-quality resources and create a green channel for economic and trade exchanges between Australia and China. ▪ Up to now, the center has introduced more than 2,000 SKUs (inventory units) of Australian products, from nutrition and health care to beauty care; from green food to jewellery, from shoes and hats accessories to drinks, from daily needs to Australia For the original indigenous artworks, the annual sales of the above products have exceeded RMB 10 million.
<p>Free trade zone Policy</p>	<ul style="list-style-type: none"> ▪ At present, the operation center company is cooperating with national/regional commodity centers to accelerate the construction of offline platforms, including Commodity Centre of Australian, Chilean, Bulgarian, Macedonian, Taiwan, and Georgia Wine (Shanghai) Exhibition Centre. ▪ It is actively working with partners in Greece, Ireland, and France as well as countries along the "Belt and Road" to find opportunities for cooperation.
<p>Free trade zone Management and Investment Promotion</p>	<ul style="list-style-type: none"> ▪ The center provides a platform for overseas companies that are still in the test phase in the Chinese market and provides small-scale office and office space, registration, professional training, product release, trade negotiation, import agency, logistics distribution, business consulting and many other supporting services; ▪ The incubation function of the country (region) commodity center will greatly reduce the initial operating costs of overseas SMEs entering the Chinese market, and promote the smooth entry of more foreign SMEs into Chinese market through the Shanghai PFTZ. ▪ At the same time, it also facilitates Chinese companies to "go global" and conduct business cooperation in countries where regional (regional) commodity centers are located.

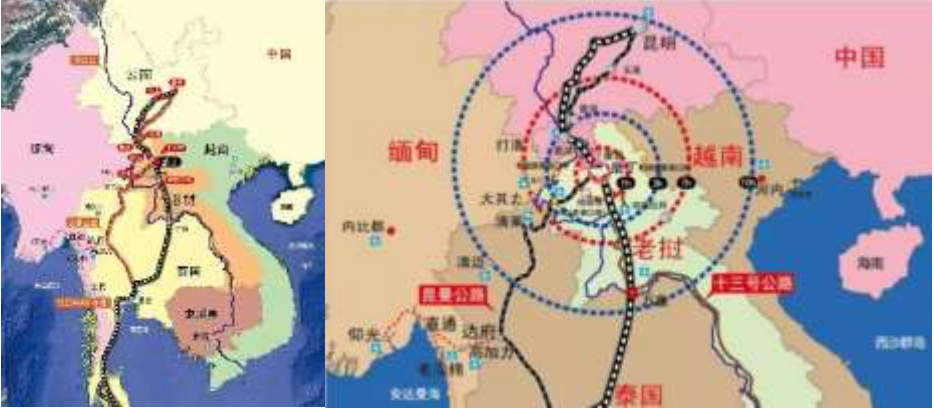


Enterprise service centre

- At present, in the field of trade and commerce, nearly 200 outstanding Australian well-known enterprises have become central member units, and provide Chinese consumers with quality and guaranteed high-quality Australian products through the central platform.
- This includes Australian consumers familiar with Australia. Jiabao, Bellamy, Penfolds, Zhen Ni Shi, TimTam, Pericon, Zenger and other well-known brand companies.
- At the same time, the Australian Commodity Centre has also built an online platform "Australian National Pavilion Online Shopping Mall", and has initially established a three-dimensional cross-selling sales network spanning online and offline.
- The center is still in contact with well-known domestic small town developers, and plans to build a "one garden, one pavilion" cultural tourism project in major cities across the country.

Smart technology use in Free Trade Zone / EZ especially IOT and AI

- Center use the "Internet +" strategy to actively build an online platform for the country (region) commodity center and build a country (region) product in the free trade zone.
- Center's official online mall.
- The online platform focuses on the trade facilitation policies targeted at the country (region) imported goods display and trading centers, enhances the richness of goods display in various countries and regions online, and explores docking with foreign investment service platforms in the free trade pilot zone.
- On the basis of this, the "going out" service function for countries and regions along the "Belt and Road" is superimposed.
- At present, the online mall has begun to take shape, and has already possessed major functional sections.
- The Australian Commodity Center and the Chilean Commodity Center are at the first "6x365" international import and export commodity display and trading platform which approved by the Municipal Commerce Commission.

Issue	Brief Information
	<p>Location: China-Lao Mohan-Boten Cross Border Economic Cooperation Zone (Mohan Border Economic Cooperation Zone), P.R. China</p> <p>Date: December 11, 2019</p> <p>Sited visits:</p> <ul style="list-style-type: none"> • Mohan Train Station (under construction) • Meeting with the zone management authority • Cross-Border E-Commerce Incubation Park • Cross-Border E-Commerce Inspection and Distribution Center • New frontier gate of the Mohan-Boten CBECZ at Mohan side • Existing gate with passenger and cargo passing channels at Mohan Port
<p>China-Laos Mohan-Boten Economic Cooperation Zone</p>	<ul style="list-style-type: none"> ▪ On August 31, 2015, witnessed by the Chinese President Xi Jinping and the Laotian President Choummaly Sayasone, Chinese Minister of Commerce Gao Hucheng and the Laotian Deputy Prime Minister Somsavad Lengsavad officially signed the Joint General Scheme of Mohan-Boten Economic Cooperation Zone on behalf of the government of the two countries. ▪ It is the second cross-border economic cooperation zone established by China and the bordering country after the China-Kazakhstan Horgos International Frontier Cooperation Center. ▪ It is an important measure for China and Laos to create new cooperation mode and accelerate opening up.  <p>Source: http://www.sohu.com/a/326644672_120065163</p>
<p>Free trade zone Policy</p>	<ul style="list-style-type: none"> ▪ The signing of the Joint General Scheme is an important milestone of the development of China-Laos economic and trade cooperation. ▪ In order to implement the policy of “long-term stability, good-neighborly relationship, mutual trust and comprehensive cooperation”, to promote the proposal of “One Belt and One Road” jointly, to consolidate and to develop the bilateral comprehensive strategic cooperation partnership, and to enhance the level of the bilateral reciprocal cooperation, China and Laos decided to build and develop China and Laos Mohan-Boten Economic Cooperation Zone on the border of Chinese Yunnan Province and Laotian Namtha Province. <p>Source: Ministry of Commerce of P.R. China, September 1, 2015. http://english.mofcom.gov.cn/article/newsrelease/significantnews/201509/20150901109922.shtml</p>
<p>Free trade zone Management and</p>	<ul style="list-style-type: none"> ▪ Witnessed by leaders of both sides, China and Laos jointly signed the Common Master Construction Plan of Mohan-Boten Economic Cooperation Zone in August 2015 and the General Plan for Common Development Plan

Issue

Brief Information

Investment Promotion

of the Mohan-Boten Economic Cooperation Zone (Outline) in November 2016.

- The two sides established a joint steering council, and a work mechanism at three levels of central government, local government and management committee of cooperation zone.
- At the meeting, both sides agreed to jointly step up the cooperation zone's construction under the steering council mechanism, make easier conditions for trade, investment and personnel exchanges, promote bilateral industrial cooperation and benefit the border regions and its people.
- Two models of customs clearance inspection and supervision are planned:
 - Model one will adopt the "one place, two inspections" model (single-stop inspections). Either in Mohan or Boten side of the China-Lao Mohan-Boten Economic Cooperation Zone, the entry and exit management personnel (border inspection, customs, and quarantine) from both sides will share the joint inspection facilities such as the passengers inspection hall and cargo inspection field. At the same location, two sides will jointly execute the entry and exit inspection and implement a "one-stop" inspection. With this scheme, the port clearance time can be shortened to half, which can greatly improve the port clearance efficiency.
 - Model 2: Adopt the "two places, two inspections" model. Both at the Mohan and Boten International Railway Ports, the joint inspection hall and cargo inspection yard will be built at the same time for the joint inspection departments of China and Laos. The joint inspection departments of China and Laos will jointly work at Mohan Port and Boten.



Mohan Train Station (under construction)

- The China - Laos railway project is actually a section of the Kunming-Singapore Railway Project, which connects Kunming with Singapore, passing through Laos, Thailand, and Malaysia.
- China - Laos Railway commenced construction on December 2nd, 2015 and is scheduled for completion by 2022. It will connect Kunming, the capital city of southwestern China's Yunan Province, with Laos' capital city, Vientiane.

- The Mohan train station is the last station of the China-Lao railway in China territory and important node to connect Kunming-Yuxi-Mohan line to Boten-Vientiane line.



China - Laos Railway Map



Kunming - Vientiane Train

Scheduled Open Time: 2022
 Designed Speed: 99/124 mph (160/200 km/h)
 Running Length: 635 miles (1,022 km)
 Expected Duration: about 10 hours

- Stations: It is planned that altogether 33 stations will be built along Kunming-Vientiane High Speed Railway, including Kunming South, Kuyang, Jinning East, Huacheng, Baofeng, Yuxi, Yuxi South, Puer, Mohan, Luang Namtha, Udomsay, Luang Prabang, Vang Vieng and Vientiane, where passengers can get on and off. When finished, train will be the top choice to travel around Laos as well as to travel between Laos and China.

China -Laos Railway Sections

- Kunming-Mohan: This section is made up of the Kunming-Yuxi Rail Line and the Yuxi-Mohan Rail Line. The former section is 55 miles (88 km) and has already come into service since December 15th, 2016 with a trip duration of 1.5 hours. The running speed is 124 mph (200 km/h). The latter section is 315 miles (507 km) and has been under construction since 19th, April, 2016; the planned top speed is 99 mph (160 km/h).
- Mohan (Boten)- Vientiane: The construction of this section began on 2nd December, 2015 and it is scheduled for completion by 2022. The designed speed is 99 mph and the length is 265 miles (427 km).

- Around 162 bridges and 72 tunnels will be built along the way, accounting for about 60% of the overall length, making it a really difficult project.
- Among the bridges, two super ones will run over Mekong River, measuring 1334 yards (1,220m) and 1570 yards (1,436 m) respectively.
- It is estimated that the project will cost about CNY 400 billion, and is jointly funded by Chinese and Laotian governments in the ratio 70% to 30%.

Why build the China - Laos High Speed Railway

- Currently, Laos only has a 2.2-mile-long (about 3.5 kilometers)) narrow-gauge railway, which cannot meet the demand of rail passengers and the development of the local economy.
- When this railway traversing the country is completed,
 - it will first greatly mobilize the development of the Laotian economy, improving its transportation, boosting the tourism industry, and creating more jobs for the locals.
 - Second, it will make travel between the two countries cheaper and easier compared with the expensive air-flight and time-consuming coach.
 - Third, China - Laos trains will make it convenient to transport Laotian products, especially agricultural products, to China, and conversely deliver Chinese products to Laos and other Southeast Asian countries by land.
- Compared with the costly air freight, train freight will great reduce the cost.
- This High Speed Railroad Project is the first step in building a railroad network which connects China with other Southeast Asian countries.
- It stands out as one of the notable landmarks in showcasing Chinese High Speed Railway Network to the world.

新建铁路玉溪至磨憨线站前22标磨憨车站效果图

Design layout of areas in front of the Mohan train station (Yuxi-Mohan Railway)



新建铁路玉溪至磨憨线站前22标磨憨车站效果图

一、车站概况

磨憨站为区段站、口岸站、办客站、国内零担站作业。占地1822亩。车站年旅客发送量近期48万人，远期96万人；年制定货量近期94×10⁴ t，远期148×10⁴ t。设旅客列车到发线3条，预留2条；国内货列车到发线近期设到发线3条，预留2条；国际货列车到发线近期设到发线3条，预留2条；调车场设调车线3条，预留2条；国际货物列车运营区设作业线2条；国内货场作业区设货物线2条。站前设置平线路基（城市桥），长埋1000平方米，女厕所用房。车站设机务折返段、综合维修工区等铁路生产作业设施。

二、工程规模

水浸埋杆杆、CFG桩等软基处理工程全部完成；完成站场土石方813万方，为设计总量的45%；完成路基附属工程1.5万方，为设计总量的64%。车站范围路基工程2条，新建桥1座，涵洞3座，改河工程1条全部完成。

Design layout of areas in front of the Mohan train station (Yuxi-Mohan Railway)



玉磨铁路磨憨站房屋总平面布置图

Floor plan of Mohan train station (Yuxi-Mohan Railway)



中国中铁二局玉磨铁路项目经理部

鸟瞰图 | 站前广场 Aerial View of Mohan Train Station Square



磨憨站站前广场项目总体规划面积约75536㎡，先期启动范围约55536㎡，远期启动范围20000㎡。先期工程概算投资8694.66万元，主要建设内容：站前广场及绿化景观面积约31100㎡，公交首末站占地5400㎡，社会停车场占地7500㎡（停车位300个），出租车停车占地1200㎡（停车位40个）。远期工程概算投资5677.12万元，主要建设内容：长途客运站建筑面积约8041㎡，客运站停车场18543㎡，以及其配套景观绿化等建设内容。

Source: <https://www.travelchinaguide.com/china-trains/laos/>

Meeting with the Mohan Border Economic Cooperation Zone (China-Lao Mohan-

- At the moment, the zone authority has prioritized their work to withdraw the immigration and customs inspection station from frontier and to set up fence and new cargo passing gate to form free zone between China and Laos in the Mohan-Boten CBECZ.

Issue

Brief Information

Boten
(CBEZ)
management
authority



Cross-Border
E-Commerce
Incubation
Park

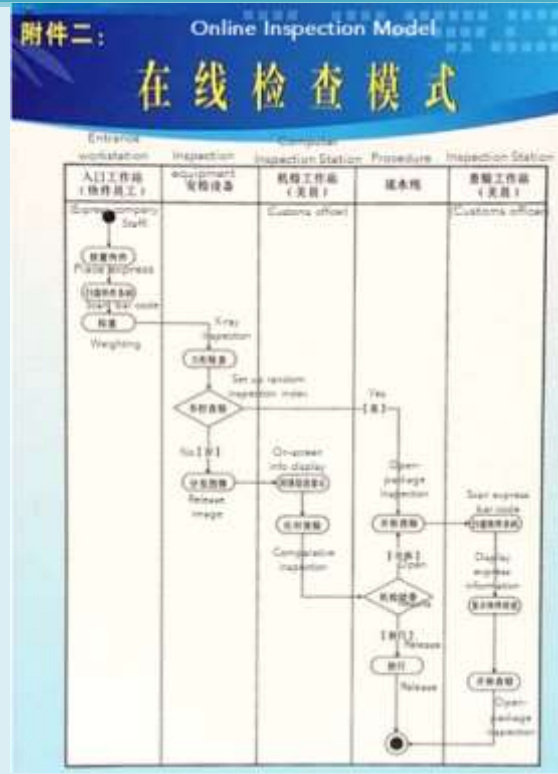
- The park provides services including logistics, warehouse, e-commerce start-up incubation, office place etc.



Cross Border
E-Commerce
Inspection
and
Distribution
Center

- Express import process and online inspection model is explained.





New frontier gate of the Mohan-Boten CBECZ at Mohan side

- To release the traffic of the existing gate of Mohan, a new gate is constructed as the cargo entry and exit channels.



Existing gate with passenger and cargo channels at Mohan Port



Issue

Brief Information



Issue

Brief Information

Location: Boten Special Economic Zone (SEZ), Lao PDR
 Date: December 12, 2019



General Information

- Located in Northern Laos bordering China.
- It is administrated by the Luang Namtha Province government while developed by a private company, the Yunnan Haicheng Industrial Group, who is dedicated to creating Boten as a "tax-free paradise, an international free port".
- The planned area of the Boten SEZ is 16.4 square kilometres with total investment of 500,000,000 USD.
- The Boten SEZ established in 2003 and started construction in December 2016, the developer has invested over one billion U.S. dollars in the development of the site which will need additional over 10 billion U.S. dollars to complete construction.
- Location advantage : The project site is geographically located adjacent to Road A3 as a strategic route to connect to ASEAN+3 (China, Korea and Japan).
- The zone is considered as a transit point and distribution center for land cargo transportation between China, Laos and Thailand in the future.
- The characteristic processing and manufacturing base have many functions such as customs inspection and quarantine inspection, international highway ports, information trading, warehousing and logistics,

Issue

Brief Information

refrigerating and refrigerating, public rail transportation, commerce and trade, supporting services, and business office.



Free trade zone
Management and Investment Promotion

- The prioritized industrial clusters in the zone are
 - 1) international commercial, financial and conventional centre,
 - 2) international bonded logistics and processing park,
 - 3) international education and medical services park, and
 - 4) International cultural and tourism park.
- At present, the Education and Medical Industry Park started construction in October 2019. The Laos Inland Container Depot (ICD) inspection yard, Lao China Bank, Laos JDB Bank, Jinglan Duty Free Shopping Mall, Jinglan Hotel, Mo Dingxiu and other business have entered the special zone and started operation. In addition, the Nantong River Scenic Area, Yinmiao, Moding Liuguo Fengqing Street, and Boten Lake Scenic Area are under construction. Among them, the Nantong Village Scenic Area will officially operate in mid-December 2019.
- The developer’s main work at this moment is to install infrastructure and conduct land clearance.
- The zone is located in a mountainous area so that they have to level the ground in order to construct buildings. Land clearance is now 80 percent completed and they expected the zone to be fully developed in the next 10 to 15 years.
- When complete, over 300,000 people are expected to work and live in the SEZ. The zone developer expects to work together with other areas in northern Laos to build a cooperation project on policy communication, facility connectivity, unimpeded trade, financing, and people-to-people connections on the China-Laos economic corridor.
- This will be of particular benefit to people living in northern Laos who have jobs within the zone.



Enterprise service centre

- A company “Lao international ICD Co., Ltd Service provide the services on
 - Domestic and International receipt and dispatch service
 - Consolidation and distribution services as a domestic and international logistics center
 - Transshipment service by using modern machinery
 - Warehouse service such as outdoor, indoor, and bonded warehouse for general goods and dangerous goods.

Issue	Brief Information
	<ul style="list-style-type: none"> - Clearance, cross border document services and international land freight forwarder service - Goods packaging before export and import for domestic distribution and transit to the third country. <div style="display: flex; justify-content: space-around;">   </div>

4.4. Synthesis and Evaluation Workshop

The Synthesis and Evaluation (S&E) Workshop organized to review the structured learning visits results and obtain feedback to improve the program activity. The S&E workshop has been structured so as to provide an opportunity to the delegates as country-wised group to present their experiences, findings, learning points and recommendations. The presentations covered assigned key area for discussions on



- Policies
- Management & promotion
- Technology
- Logistics
- One Stop Service
- E-Platform and
- Capacity Building Activities

The presentation template was provided to the delegates with following guiding questions:

Part I: Main Findings and learning points of the SLV

Referring the assigned study fields, what are the interesting / key findings which you have learned from the SLV?

How those knowledge would be useful and helpful for your country's practices?


Part II: Recommendations:

Please provide recommendations for MI to design better capacity building programs to provide consistent support to your country and your work?

Below is the summary of the country-wised presentations

Country: Cambodia	
<p>Key findings</p>	<ul style="list-style-type: none"> ▪ Type and target industries of the Zone <ul style="list-style-type: none"> - Mohan-Boten focus on Cross-border economic zone - China side target industries on Logistic/Agriculture/Furniture - Laos side focus on Financial/Tourism/Logistic/E-commerce ▪ Township development ▪ Logistic center- Railway, Road network. <div data-bbox="922 510 1401 792" style="text-align: right;"> </div> <ul style="list-style-type: none"> ▪ Current status of Poipet SEZ <ul style="list-style-type: none"> - It's Border SEZs - Target industries on Manufacturers- Auto mobile parts/Electronic parts as "Thai+1"
<p>Application knowledge to workplace</p>	<ul style="list-style-type: none"> ▪ Apply China- Laos Mohan-Boten Economic Cooperation model for Poipet city development; ▪ Logistic: Single-window custom clearance/ Railway development; ▪ Free-flow area: Ease related procedures; ▪ E-Commerce; ▪ Cross-border ECZ on <ul style="list-style-type: none"> - Thai - Logistic/E-commerce/ Medical/ Education/Services - Cambodia- Labor incentive manufactures/Casino. ▪ Learned the practice of cross board SEZ development, which it can take reference for Poipet area development eventually, can benefit both Cambodia and Thai economy growth. ▪ As secretary of Cambodia SEZ Association Voluntarily, knowledge and learning can be shared to other SEZs in Cambodia if needed. <div data-bbox="863 869 1401 1178" style="text-align: right;"> </div>
<p>Recommendation on the capacity building programs</p>	<ul style="list-style-type: none"> ▪ For Cambodia SEZs, Thailand Industrial parks are our model. Now we are facing issues which in Thai they already have very mature solution and practice, such as, <ul style="list-style-type: none"> - Multiple projects tax incentives in one company - Upgrading supplier chain- VAT issue among those companies - Processing fee model transaction ▪ If MI can assist the training and study for this part, that would be very helpful for the industrialization of Cambodia. ▪ Cambodia needs more sophisticated Investment policy to upgrading the industry

Issue		Country: China
Key findings	<ul style="list-style-type: none"> ▪ Good relationship with the officials involved in economic zone development in CLMVT countries. It can strengthen the work connection between Yunnan and Shanghai Free Trade Zone, and promote the rapid development of all kinds of development zones in Yunnan. ▪ Known the construction progress of Shanghai Free Trade Zone and China Laos Mohan Boten Economic Cooperation Zone, and learn the advanced experience of Shanghai park development. ▪ The event provided good crucial opportunities for delegates to exchange experiences and opinions of FTZs and SEZ development in LM countries. ▪ Yunnan has just been approved to develop three (3) FTZs in August 2019 in Kunming, Honghe (Hekou) and Dehong (Ruili), where the China-Vietnam Hekou-Laocai CBECZ and China-Myanmar Ruili-Muse DBECZ are also under planning for ratification. ▪ The SLV to Shanghai and Mohan-Boten have brought them the updates and concepts of develop both FTZs and CBECZ in Hekou and Ruili. 	
Application knowledge to workplace	<ul style="list-style-type: none"> ▪ Ability to understand and learn valuable experiences and practices in advanced areas. 	

Issue		Country: Lao PDR
Key findings	<ul style="list-style-type: none"> ▪ One-stop service in Mohan-Boten, ▪ Cross border e-commerce practices from Shanghai FTZs and Mohan, ▪ Cultural tourism in Jinghong, ▪ A networking opportunities to share and exchange information with other SEZs officers. ▪ Planning and operational strategies and procedures, facilities and infrastructure, policy initiatives, trade facilitation measures and taxation innovations and investment incentive. ▪ Learn the best-practice and the implementation of the Free trade policies in the zone, which has proven to be effective and successful. 	
Sharing information on SEZ Development in Lao PDR	<ul style="list-style-type: none"> ▪ Establishment of SEZs since 2003 to 2020 ▪ Core Ministry on Investment Management. Ministry of Industry and Commerce (MOIC) is responsible for enterprise registration license for general business, while Ministry of Planning and Investment responsible for concession license and representative office license, and enterprises registration license in the SEZ. ▪ Management structure of the SEZ comprised of MPI as One Stop Service Office, Relevant sector at central and local levels, local and international advisors, SEZ Management*Economic Board and One Stop Service Unit (OSS). These functions units reported to Board of Investment and Government respectively. ▪ OSS comprised of Land use right lease license, enterprise registration certificate, seal registration certificate, import-export certificate, construction license, environmental impact certificate, management of citizens and labour and tax payment. 	

Country: Lao PDR	
Issue	<ul style="list-style-type: none"> ▪ Regulatory framework on Investment promotion law, decree on SEZ, strategy plan for development and management of SEZ from 2011-2020 and agreement on each SEZ development ▪ Type of SEZ in Laos <ul style="list-style-type: none"> - Industrial Zones (Savan-Seno SEZ, VITA Park, Saysettha Development Zone, Champasak SEZ and Phoukyo SEZ) - Tourism and New Urban Centers (Golden Triangle SEZ, Long Thanh Vientiane, That Luang Lake SEZ, Luang Prabang SEZ and Trade and Logistics Zones) - Trade and Logistics Zones (Boten Beautiful Land SEZ, Dongphosy SEZ, Thakek SEZ) ▪ Forms of SEZs Development Investment <ul style="list-style-type: none"> - Government own (Thakhek SEZ) - Private Developers (Boten SEZ, Thatluang SEZ, Long Thanh SEZ, Phoukyo SEZ and Dongphosy SEZ) - Joint venture (Savan-Seno SEZ, Golden Triangle SEZ, VITA Park, Saysettha SEZ, Luang Prabang SEZ, Champasak SEZ) ▪ Incentives and application process on profit tax, income tax, value added tax, factory and infrastructure construction and non tax incentives
Application knowledge to workplace	<ul style="list-style-type: none"> ▪ Understood the significance of Shanghai Pilot Free Trade Zone and China-Laos Mohan Boten Economic Cooperation Zone. ▪ Share the knowledge to other colleagues. ▪ How to attract the investment, ▪ Offer business networking between Trade Zones and CBEZs authorities and the participants. ▪ Apply the modern city and modern SEZs development in our zone; ▪ Update all information related to SEZ operators, investors, export and import within the SEZs.
Recommendation on the capacity building programs	<ul style="list-style-type: none"> ▪ More chance to visit other SEZs in LM countries.

Country: Myanmar	
Key findings	<ul style="list-style-type: none"> ▪ The important role of policy for Free Trade Zone/ Economic Zone ▪ Anticipation of Long-Term Sustainable Development to enhance regional economy, social and multi sector ▪ Good neighborly relationship on job opportunity, culture exchange, tourism investment promotion ▪ Comprehensive bilateral cooperation and multilateral cooperation

Application knowledge to workplace	<ul style="list-style-type: none"> ▪ Good management of the Management Authority. The knowledge from the SLVs enhanced skills in solving of customs clearance issues in TSEZ, Myawaddy Trade Zone and Muse Trade zone area. ▪ Essential tools for investment promotion on incentives to investors such as establishment of OSSC and tax reduction plan. It can facilitate all trading transactions done by investors in Free trade Zone as our country try to establish FTZs and cross-border economic zones with our neighbouring countries. ▪ Transport infrastructure and cross border facilities; ▪ Facilitation with Advanced Technology; ▪ Logistics services and bonded warehouse; ▪ Learning points for future activities in our Country on <ul style="list-style-type: none"> - Clear bilateral agreement between two countries to establish Border Trade Zones in Muse, Myawaddy, Tachileik and Tamu. - Provide particular rules and regulations - Promote capacity building activity - Reform and modernize all related procedure due to Customs Department is now ongoing way of reform and modernization to be in line with international best practice including Customs procedure - Supply hard and soft infrastructure in border control facilities
Recommendations and capacity building programs	<ul style="list-style-type: none"> ▪ Regulator role of the Management Authority in two countries. ▪ Provide particular rules and regulations. ▪ Contribute capacity building by arranging to visit successful cross border economic zone.

Issue		Country: Thailand
Key findings	<ul style="list-style-type: none"> ▪ Cooperation policy; ▪ Decision maker; ▪ Management; ▪ Effective consultation to response in SEZ; ▪ Logistics border facilitation; ▪ One Stop Services. 	
Application knowledge to workplace	<ul style="list-style-type: none"> ▪ <u>Cooperation policy</u> with other bordered countries, especially in R3A, Mohan-Boten-BoKeaw-Chiang Khong-Chaing Rai as a pilot project. Some of the delegates, as a chief district officer belongs to the Department of provincial Administration of Ministry of Interior of Thailand, have been appointed to mobilize and integrate governmental policies to transform Chiang Khong District to become the best destination and the gate to the future. ▪ <u>Design road map of SEZ</u> in Thailand to show more development and how it works in the future. Even though Chiang Khong is a small border district but its location and strong potentialities can create and expand Thailand's economic opportunities and joint cooperation among countries in Mekong sub-region. However, it is challenging due to Chiang Khong District has various dimensions such as people, economic system, infrastructures, international trade and investment, 	

	<p>logistics, transportation, tourism, city planning, land use, water management, technologies, cultures and so on.</p> <ul style="list-style-type: none"> ▪ <u>Effective consultation</u> to response in SEZ. As interested in people relations in the special area, how are they adapting, adjusting their life style, they self-learning and their security. This program provided a lot of new experiences and can be shared ideas with many of professionals from other countries. The SLV gave a chance to open view of cross border management. ▪ <u>Logistics and Infrastructure</u> – develop strategies base on learning experience to improve road, railway and border pass for travellers and goods in all connected countries. ▪ <u>One Stop Service</u> by setting one stop service and driver license at the border in order to facilitate all passengers.
<p>Recommendations</p>	<ul style="list-style-type: none"> ▪ The government should delegate more authority and accountability to the local government in term of decision making as same as China has done. ▪ Management: Proactive activities to connect with other countries to provide them more information and to attract other investors. ▪ Leader should come to meet and share their idea and convince each other with sister cities and other countries. ▪ Site visit more active SEZ and other countries.

Issue	Country: Vietnam
<p>Key findings</p>	<p>Negative List Approach</p> <ul style="list-style-type: none"> ▪ Positive list limits activities of foreign investors or event the activities of Chinese firms looking to operate abroad; ▪ Negative list: Any sector not listed in the negative list is able to undertake business activities; ▪ Microsoft case (one kind of game) =>Readjust to meet the local requirements as well joint-venture with one Chinese firm => Succeed <p><u>Promotion of Shanghai Pilot Free Trade Zone</u></p> <ul style="list-style-type: none"> ▪ Host FTZ introduction event (cooperate with Amcham, EU...to organize events to promote SPFTZ in China and overseas); ▪ The latest policy promotion; ▪ Policy expansion, investment and trade promotion (exhibition and displays, Pudong Expo - investor honoring - PUDONG, Waigaoqiao wine exhibition and Trading centre; Australian Commodity Centre, Databases. ▪ Routine communication mechanism (roundtable conferences) and network (overseas facilities...) 

	<p><u>Mohan - Boten Cross - Border Economic Cooperation Zone</u></p> <ul style="list-style-type: none"> ▪ Planning on International Business and Financial Zone, Entertainment Area, International Culture, Education and Medication and Industrial Zone); ▪ Policy (belt and road initiative: railway); ▪ Construction of this Zone as the Lang Son is negotiating for the building of Cross-Border Economic Cooperation Zone (customs clearance facilitation, infrastructure, one stop, one check, investment promotion strategies...) <p><u>Nightlife economic activities in Xishuangbana</u></p> <ul style="list-style-type: none"> ▪ Infrastructure (temple, hotel, night market, traditional houses, etc.) ▪ Local and Mekong culture/ cuisine/products introduction ▪ Local Culture/customs/traditions preservation (clothes, music, etc.) <p>Local Economic activation</p>
Application knowledge to workplace	<ul style="list-style-type: none"> ▪ The development and management to the border gate economic zone and CBEZ in Vietnam will be applied; ▪ Having closer relationship and cooperation with Mekong Institute; ▪ SLV improved knowledge about key factors for the development of the Border Economic Zones, ▪ Build the network with experts and officials in the field of the border economic zone development, ▪ Offered a good opportunity to promote Lang Son and its Border Economic Zones, ▪ Methods to investors and traders to Lang Son for its socio-economic development.
Recommendation on the capacity building programs	<ul style="list-style-type: none"> ▪ Specific Cooperation Programs with Lang Son on training, business matching, investment conferences/forums/ small projects in our Zone. ▪ Introduce Saigon Hi-tech Park to GMS community to increase number of chances for cooperation.

5. Program Evaluation

The after-event evaluation form was distributed to the delegates on the last day of the SLV. Each question was measured with the rating scale from 1 to 5, where “5” is the highest and “1” is the lowest. The questionnaire format was employed to evaluate:

- I. Expectations to the SLV program
- II. Usefulness on improvement and relevance of the gained knowledge
- III. Overall evaluation of the program

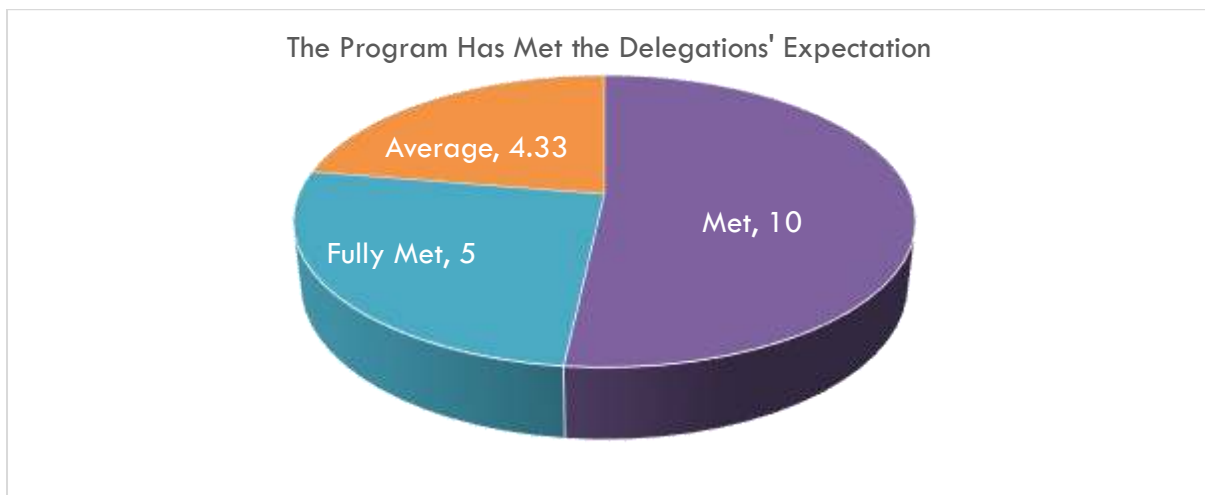
Open-ended written responses were also requested to gather qualitative and quantitative data. Qualitative data was then analyzed to further provide the basis for recommendations on future program improvement. The results of this are summarized below:

I) Expectations

Major participants indicated that the program was met and fulfilled to their expectations. Among 26 delegates, of which, 15 delegates reported that the program “met” to “fully met” their expectations at average rating at 4.33. Some comments were provided to this question as following.

- Well planned and prepared project for CBECZ of Mohan-Boten Railway Station.

- Effective customs clearance procedure at Boten Economic Zone.
- Networking and share experience with other CCLMVT countries.
- Understanding about shanghai PFTZ and successful models of Pudong.
- Understanding on the development model of cross-border economic cooperation zone.
- Trade and investment around the border zone.
- Local Policy.
- One-stop service.
- Logistics, e-commerce and trade facilitation in border.
- Simplified documentation, paperless procedure.
- Negative list.



II) Usefulness on improvement and relevance of the gained knowledge

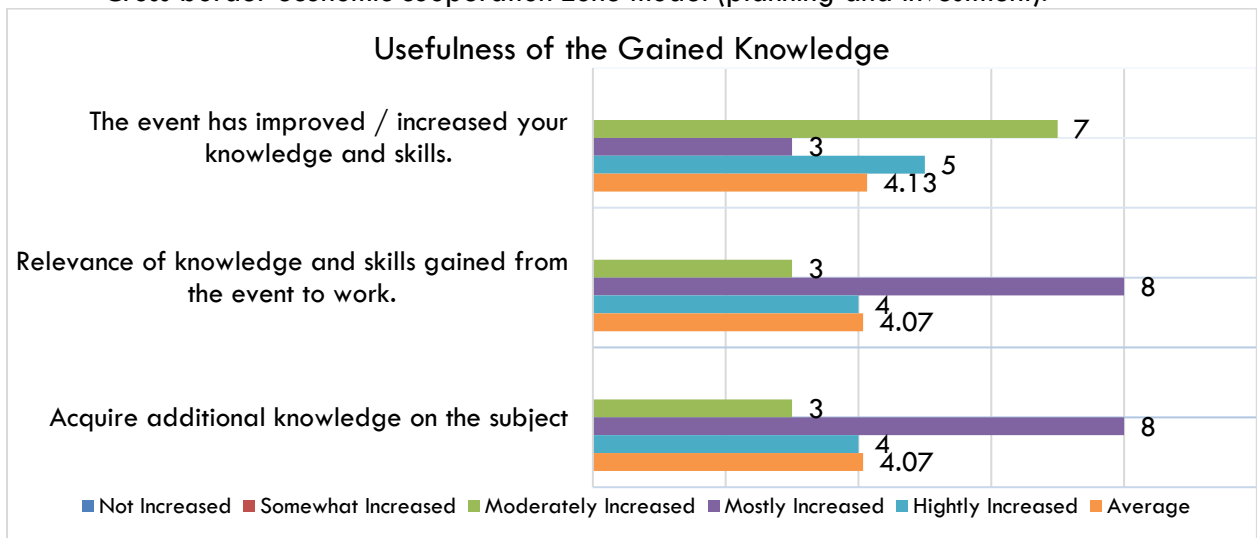
According to a standardized MI monitoring and evaluation system, questions on improvement and relevance of knowledge and skills were provided. The participants indicated that they increased the knowledge and skills from the program with rating average at 4.13. The delegates reported that the gained knowledge can be applied to work as following.

- Advanced technology and systematic ways should be used in the implementation of economy development.
- Investment promotion.
- Connecting with professional experts from MI.
- Cross border economic cooperation.
- Tourism development associated with culture preservation.
- International cooperation promotion.
- Policy making.
- Cross border E-Commerce model.
- Trade facilitation.
- Single window customs clearance.
- Set up fence for CBECZ.
- Bonded products show room in Waigaoqiao.

Regard to the knowledge and skills gained from the event relevant to their work and acquire additional knowledge on the subject, the rating average is 4.07 respectively. The delegates listed new knowledge and information from the SLV program as following;

- On line trade control.

- Centralized control on distribution of wine.
- China’s reforms and opening-up policies.
- Success factor of Shanghai PFTZ (specially FDI attractions).
- Cross border economic cooperation zone model (planning and investment).

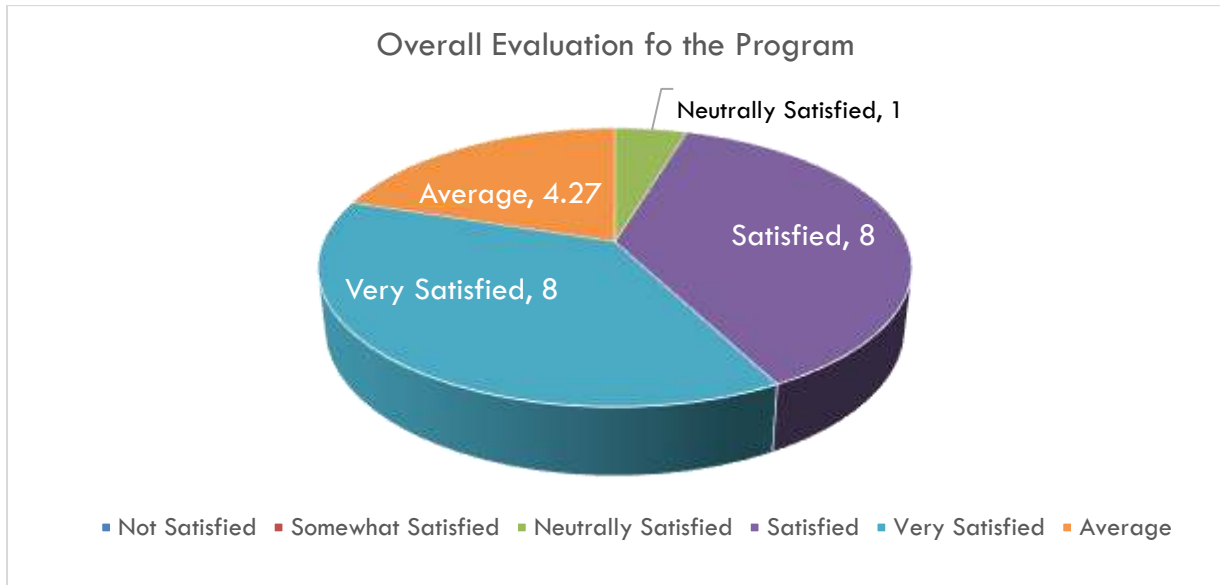


Furthermore, the delegates provided the most impressive knowledge and information learned from the program as following;

Development of cross-border region for economy and other sectors	Shanghai PFTZ’s success & Pudong high speed and success	Investment in Boten Border Gate Zone
Investment in Boten Border Gate Zone	Night market in Xishuangbanna model to boom local tourism and economy	Customs clearance guideline
One-stop service	Border Planning & Strategic Planning	Investment and infrastructure, especially transportation infrastructure
Investment promotion	Provide more specific guideline for the first session in order to guide participant to pay more attention and gain more knowledge along the trip	Wine show room

III) Overall Evaluation of the Program

This report concludes assessment results of the SLV program. The assessment results affirmed that the program was achieved and satisfied with the overall program at the average of 4.27 of 5-point scale rating. The delegates provided some suggestions for future improvement.



- The program should be focused on specific area and it would be more better for Mekong countries.
- Specific cooperation programs with Langsong BEZ.
- More field trip to other Mekong countries.
- Findings from MI project related to Lang Song Border Economic Zone
- Specific cooperation program between Lang Song and MI in training, business and investment promotion
- Other small projects.
- Provide more specific guideline for the first session in order to guide participant to pay more attention and gain more knowledge along the trip

6. Lesson Learned

Key lessons learned from the program are summarized below:

- Clear guidance on assignments to the delegates.
- Provide time for group discussion to ensure that the results of the assignment are achieved.
- Discussions with a representative(s) of each site to ensure that the delegates will get in deep information.
- It's challenges to set a program across weekend and the target site is on mission.

7. Recommendations

The delegates provided the following suggestions and recommendations for future improvement of the program.

- Support for similar program to visit Thailand Industrial parks and/or other successful cross border economic zone / SEZ in LM countries for gaining more knowledge and experience.
- Regulator role of the Management Authority in two countries is necessary to discussed in details.
- The government should delegate more authority and accountability to the local government in term of decision making as same as China has done.
- Proactive activities to connect with other countries to provide them more information and to attract other investors.
- Leader should come to meet and share their idea and convince each other with sister cities and other countries.
- Specific cooperation programs with Lang Son on training, business matching, investment conferences/forums/ small projects in our Zone are recommended.
- Introduce Saigon Hi-tech Park to GMS community to increase number of chances for cooperation.
- Specific area for visiting would be more better for Mekong countries.
- Provide more specific guideline for the first session in order to guide participant to pay more attention and gain more knowledge along the trip.

8. Conclusion

This report contains the SLV structure with brief information, discussion summary to reflect the results of the program as well as the assessment results of SLV program. The assessment results of SLV program affirmed that the objectives were met. The delegates reported that the program met their expectations. The site visits gave them understand the SEZ development and related issues. They increased knowledge and skills which are relevant to their work, acquired additional knowledge on the subject, and increased skills. The assessment results also indicated that the delegates were highly satisfied with overall program.

9. Appendices

9.1 SLV Agenda

Day 1, December 8, 2019, Sunday

Venue: Shanghai, P.R. China

Time	Activities
	 Travel from home cities to Shanghai , P.R. China *Airport pick-up, arranged by hotel for all Delegates
14.00 -	Check in at Shanghai Pudong InterContinental Hotel  上海锦江汤臣洲际大酒店 Address: No. 777 Zhangyang Road, Pudong, 200120 Shanghai, P.R.China 地址：上海，浦东新区，张扬路 777 号 Tel: +86 21 5835 6666; +86 158 2108 5914 (24 HOURS) https://www.ihg.com/intercontinental/hotels/us/en/shanghai/shgha/hoteldetail
19.30 - 21.00	 Welcome Dinner  Peony Rose Room, Oriental House Restaurant 2 nd floor, Shanghai Pudong InterContinental Hotel 上海锦江汤臣洲际大酒店，二楼，东方食苑餐厅，牡丹玫瑰厅 <i>Hosted by Mekong Institute</i>

Day 2, December 9, 2019, Monday

Venue: Shanghai, P.R. China

Time	Activities
07.30	Breakfast
08.30 - 08.45	Debriefing Session Venue: InterContinental Meeting Room 3, 3 rd Floor, Shanghai Pudong InterContinental Hotel Welcome and Opening Remarks By Co-chairs <ul style="list-style-type: none"> • Mrs. Auramon Supthaweethum • Director-General of the Department of Trade Negotiations (DTNs), Ministry of Commerce of Thailand, and • Dr. Watcharas Leelawath, Executive Director of Mekong Institute
08.45- 09.00	Self-Introduction , by all delegates
09.00 – 09.15	Project Overview, Objective and Agenda of the SLV By Mr. Madhurjya Kumar Dutta Director, Trade and Investment Facilitation Department (TIF), Mekong Institute

Time	Activities
09.15 - 10.00	Open-up Economic Zone Development in Yunnan Province of P.R. China 云南省开放型园区 by Mr. Huang Weili, Economic Development Zone Division, Department of Commerce of Yunnan Province of P.R.China
10.00 - 10.20	Coffee Break
10.20 - 11.00	MI Studies on Promotion of Special Economic Zone and Cross Border Economic Zone Development By MI team
11.00 - 11.30	Setting up expectations - discuss questions and task allocation among group members By MI team and all delegates
12.00 - 13.00	 Lunch at Restaurant "Level 1", 1st floor of the Shanghai Pudong InterContinental Hotel
13.10 - 13:45	 Depart from Hotel to the China (Shanghai) Pilot Free Trade Zone 中国(上海)自由贸易试验区
14.00 - 14.40	Visit Shanghai Pudong Expo 上海浦东展览馆 By Bureau of External Communication of Shanghai PFTZ 上海自由贸易试验区对外联络局 Address: 201 Hehuan Road, Pudong New Area, Shanghai, P.R.China 上海合欢路 201 号 Tel: +86 21-68546930 Web: http://www.pdzlg.org/index.php?op=content&task=museum (English) http://www.pdzlg.com/jsp/ww/gk_ldzc.html (Chinese)
15.20 - 16.00	Visit Waigaoqiao Wine (International) Exhibition and Trading Center 外高桥 (国际) 酒类展示交易中心 By Waigaoqiao Free Trade Zone Administration 外高桥保税区管理局 Address: 77 Fute West 3rd Rd, Pudong New Area, Shanghai, P.R.China 外高桥保税区管理局 富特西三路 77 号
16.10 - 16.40	Visit the Australian Commodity Centre 澳大利亚商品中心 Waigaoqiao Country (Region) Commodity Center 外高桥国别 (地区) 商品中心 By Waigaoqiao Free Trade Zone Administration 外高桥保税区管理局 Address: 77 Fute West 3rd Rd, Pudong New Area, Shanghai, P.R. China 保税区管理局 富特西三路 77 号
16.30- 17.30	Back to Hotel Shanghai Pudong InterContinental Hotel  上海锦江汤臣洲际大酒店 Address: No. 777 Zhangyang Road, Pudong, 200120 Shanghai, China 上海, 浦东新区, 张扬路 777 号

Time	Activities
	Tel: +86 21 5835 6666; +86 158 2108 5914 (24 HOURS)
18.30 – 20.30	Free time

Day 3, December 10, 2019, Tuesday

Venue: Jinghong, P.R. China



Time	Activities
07.30 - 09.30	Breakfast
09.30 - 10.00	Check out from the Hotel
10.00 - 11.00	Route A: Leave for Shanghai Pudong International Airport Terminal 2 (22 delegates, 2CAM, 3CH, 4LA, 2MM,3VN, 5TH, 3MI)
13.25 - 19.20	 Fly from Shanghai Pudong T2 to Jinghong Gasa (Juneyao Air HO1041) 1 check-in Baggage 20kg, 1 carry-on handbag 10kg
19.20 - 21:00	Arrive at Jinghong (Xishuangbanna Gasa) Airport, and leave for Hotel
21.00	Check in at  Mekong River Jinglan Hotel 西双版纳湄公河景兰大酒店 Address: Building 10, Meigonghe Renjia, Gaozhuang Xishuangjing, Jinghong, P.R.China 中国西双版纳州景洪市告庄西双景湄公河人家 10 栋 Tel: +86 (0) 691-3088888
	Free time

***Route B:** (for 4 delegates)

Time	Activities
12.00	Check out from Hotel
13.30 - 14.30	Send the 4 delegates (2 Thai, 2 MI) to Shanghai Pudong International Airport Terminal 2
17.20 – 21.15	Fly from Shanghai to Bangkok (TG665)

Day 4, December 11, 2019, Wednesday

Venue: Mohan, P.R.China - Boten, Lao PDR

Time	Activities
07.30	Breakfast
08.30 – 12.00	 Check out from Hotel and travel from Jinghong to Mohan , P.R. China by land
12:00 - 13:20	 Lunch in Mohan
13.20	Leave for meeting
14.00 – 16.30	Meeting with China-Lao Mohan-Boten Economic Cooperation Zone Management Authority of P.R. China and Field Visit to the Zone




Time	Activities
16.30 – 18.30	 Route A: Cross border from Mohan, P.R.China to Boten , Lao PDR (by land) (19 delegates, 2CAM, 4LA, 2MM,3VN, 5TH, 3MI)
18.30 – 19.00	For Delegates of Route A: Check in at  Moding (Boten) Jing Land Hotel 磨丁景兰酒店 Address: Boten Special Economic Zone of Luang Namtha Province, Lao PDR 老挝磨丁经济特区
19.00 – 20.30	 Dinner at Moding (Boten) Jing Land Hotel, hosted by Mekong Institute

***Route B (for 3 Chinese Delegates):**


Time	Activities
16.30 – 19.30	 Travel from Mohan to Jinhong, 3 Chinese delegates
19.30	Check in at  Mekong River Jinglan Hotel (Jinhong) 西双版纳湄公河景兰大酒店 Address: Building 10, Meigonghe Renjia, Gaozhuang Xishuangjing, Jinhong, P.R.China 中国西双版纳州景洪市告庄西双景湄公河人家 10 栋 Tel: +86 (0) 691-3088888

Day 5, December 12, 2019, Thursday

Venue: Boten, Lao PDR









Time	Activities
07.30 - 08.30	Breakfast
08.20 – 09.00	Leave from Hotel to Meeting venue (19 delegates, 2CAM, 4LA, 2MM,3VN, 5TH, 3MI)
09.00- 12.00	Meeting with Boten Special Economic Zone, Lao PDR and Field Visit
12.00 - 13.00	 Lunch, at Moding (Boten) Jing Land Hotel
13.30 - 18.00	Synthesis Workshop of the SLV, Boten, Lao PDR Venue: Moding (Boten) Jing Land Hotel <ul style="list-style-type: none"> • Country presentation on their observation and assignments results, by CCLMVT country representatives; • Post self-assessment and after-event evaluation, by all delegates; • The way forward and closing remarks, by MI representatives
18.30 – 20.00	 Dinner at Moding (Boten) Jing Land Hotel, hosted by MI  Moding (Boten) Jing Land Hotel 磨丁景兰酒店 Address: Boten Special Economic Zone of Luang Namtha Province, Lao PDR 老 挝磨丁经济特区

***Route B (for 1 Thai Delegate):**

Time	Activities
10.00 - 12.00	 Travel from Boten to Luang Namtha 1 Thai Delegate
14.15 - 21.35	Fly from Luang Namtha to Vientiane (Lao Airlines QV062), and Fly from Vientiane to Bangkok (TG575, VET 20.30- BKK 21.35)


Day 6, December 13, 2019, Friday

Vientiane, Lao PDR

Time	Activities
07.30 - 08.30	Breakfast and Check out from Hotel
08.30 - 11.00	 Route A: Travel from Boten to Luang Namtha (16 delegates, 2CAM, 4LA, 2MM, 3VN, 2TH-BKK,3MI)
	 Route B: Travel from Boten to Chiang Khong and Chiang Rai, for 2 Thai Delegates of Chiang Rai
11.00 - 12.00	 Lunch , hosted by Mekong Institute
12.00 - 12.30	 Leave for Luang Namtha Airport (16 delegates, 2CAM, 4LA, 2MM, 3VN, 2TH,3MI)
14.15 - 15:10	 Fly from Luang Namtha to Vientiane (Lao Airlines QV062) *1 check-in Baggage 15kg, 1 carry-on handbag 5kg
15:30 - 16.30	 Route C: Fly from Vientiane airport to home countries (5 delegates, 2 VN, 2TH-BKK, 1 MI)
	 Route D: Picked-up by Hotel Shuttle bus and leave for hotel in Vientiane (7 Delegates, 2 CAM, 2 LA, 2MM, 1VN-HCM)
	Route E: Airport – Hotel – Khon Kaen (2 MI Staff) Route F: Airport – Home in VET (2 LA delegates)
16.30 - 17.00	 Check in at Lao Plaza Hotel (for 7 delegates only) Address: 63,Samsenthai Road P.O.Box 6708 , 01000 Vientiane, Laos Tel. : +(856 21) 218800-1 Email : lph@laoplazahotel.com
17:00 -	Free time

Day 7, December 14, 2019, Saturday

*Vientiane, Lao PDR (7 delegates only)

Time	Activities
06.00 - 06.30	From Vientiane to home countries
	Check out from hotel and leave for airport 2 Delegates of Lao PDR 1) Mr. Nongsavanh Thammavong 2) Ms. Souphavady Paphanchit  Lao Airlines QV223AT7 08.05 VTE Vientiane D – 09.05 ZVK Savannakhet

Time	Activities
08.30 -	Check out from hotel and leave for airport
09.00	<u>2 Delegates of Cambodia</u>
	1) Mr. Som Chandara
	2) Mrs. Minqian Zhao
	 Vietnam Airlines VN 921
	11.35 VTE Vientiane – 13.00 PNH Phnom Penh
	<u>1 Vietnamese (Ho Chi Minh) Delegate</u>
	1) Mr. Duc Huy Nguyen
	 Vietnam Airline VN921 (1 stop in Phnom Penh)
	11.30 VTE Vientiane – 14.55 SGN HCM T2
10.30 -	Check out from Hotel and leave for airport
11.00	<u>2 Myanmar Delegates</u>
	1) Ms. Sanda
	2) Ms. Thinn Thinn Aye
	 Thai Smile WE571 and WE5305 (1 stop in BKK)
	13.25 VTE Vientiane – 18.50 RGN Yangon T1

9.2 Directory

Leaders of the Delegation

#	Name and Position	Organization and Address
1.	Mrs. Auramon Supthaweethum Director-General	Department of Trade Negotiations (DTNs) Ministry of Commerce of Thailand 563 Nonthaburi Road Tambon Bang Kraso, Mueang Nonthaburi District, Nonthaburi 11000, Thailand
2.	Dr. Watcharas Leelawath Executive Director	Mekong Institute 123 Mittraphad Road, Khon Kaen, Thailand

Delegates of Cambodia, P.R.China, Lao PDR, Myanmar, Vietnam and Thailand

#	Name and Position	Organization and Address
CAMBODIA		
3.	Mr. Som Chandara Deputy Director	Operation and Management Department Cambodian Special Economic Zone Board (CSEZB) Government Palace, Sisowath Quay, Phnom Penh, Cambodia
4.	Mrs. Minqian Zhao General Manager	Operation, Management Department Phnom Penh Special Economic Zone Plc. National Road No.4, Khan Kambol, Phnom Penh, Cambodia
P.R.CHINA		
5.	Mr. Weili Huang 黄维力 Principle Staff Member	Economic Development Zone Division Department of Commerce of Yunnan Province No. 175 Beijing Road, Kunming, Yunnan Province, P.R. China
6.	Mr. Jian Li 李剑 Deputy Director	Development Planning and Industry Promotion Agency China (Yunnan) Pilot Free Trade Zone, Dehong Administration Building 5, Ruili City Hall, Dehong Dai and Jingpo Autonomous Prefecture, Yunnan Province, P.R. China
7.	Ms. Lili Wang 王黎黎 Staff member	Bureau of Policy and Regulation, Honghe Area Management Committee of China (Yunnan) Pilot Free Trade Zone China Hekou International Convention and Exhibition Center, Hekou County, Honghe Prefecture, Yunnan Province, P.R. China
LAO PDR		
8.	Mr. Nongsavanh Thammavong Vice President of the Zone Executive Board	The Thakhek Special Economic Zone, Khammouane Province, Special Economic Zone for Promotion and Management's Office, Ministry of Planning and Investment Vientiane Capital, Lao PDR

9. Ms. Souphavady Paphanchit Head of Information and Cooperate Affair Unit	Information Division Savan Pacifica Development Company Limited Km 10, Savan Park, Nongduen Village 13000 Kaysone Phomvihane City, Savannakhet Province Lao PDR
10. Mr. Chaipadith Nathavong Vice Head of Division	Promotion and External Relation Department, Special Economic Zone Promotion and Management (SEZO) Thatluang Lake SEZ, Vientiane, Lao PDR
11. Ms. Mookdavan Khattiya Technical Officer	Legal Division, Special Economic Zone Promotion and Management (SEZO) Thatluang Lake SEZ, Vientiane, Lao PDR
MYANMAR	
12. Ms. Sanda Deputy Director	Directorate of Investment and Company Administration (DICA) Ministry of Investment and Foreign Economic Relations No. 1, Thit Sar Road, Yan Kin Township, Yangon Region, Myanmar
13. Ms. Thinn Thinn Aye Assistant Director	Department of Customs Thilawa SEZ Management Committee (TSMC) Yangon, Myanmar 100, Administration Building, Thilawa SEZ Management Committee, Thanlyin and Kyauk Tan Township, Yangon Region, Myanmar
VIETNAM	
14. Mr. Duc Huy Nguyen Director of Training Center	Board of Management of Saigon Hi-tech Park Lot E1, Hanoi Highway, Saigon Hi-tech Park, District 9, Ho Chi Minh City, Vietnam
15. Mrs. Thi Huong Pham Specialist	International Cooperation Division, Lang Son Department of Foreign Affairs 10 Hung Vuong Street, Chi Lang Ward, Lang Son City, Lang Son Province, Vietnam
16. Mr. Van Quyet Hoang Deputy Head	Management Board of Dongha-Langson Border Gate Economic Zone No.19, Ly Thai To Street, Dong Kinh Ward, Lang Son City, Lang Son Province, Vietnam
THAILAND	
17. Mrs. Aumaporn Futrakul Executive Director	Bureau of Asia, Africa and Middle East, Department of Trade Negotiations Ministry of Commerce of Thailand 563 Nonthaburi Road Tambon Bang Kraso, Mueang Nonthaburi District, Nonthaburi 11000, Thailand
18. Ms. Waranya Phupitakphol Trade Officer, Professional Level	Bureau of Asia, Africa and Middle East, Department of Trade Negotiations Ministry of Commerce of Thailand 563 Nonthaburi Road Tambon Bang Kraso, Mueang Nonthaburi District, Nonthaburi 11000, Thailand
19. Mr. Termsap Taelakul Director	Spatial Development Planning and Strategy Office (SPSO), Office of the National Economic and Social Development Council (NESDC)

	962 Krung Kasem Rd., Pomprab, Bangkok, Thailand 10100
20. Ms. Mantana Sinna Director of Strategy and Information Planning Department	Chiang Rai Provincial Office Chiang Rai Provincial Hall, Mae Fah Lunag Road, Rimkok, Muang, Chiang Rai, 57100
21. Mr. Tusnai Sutapot Chiang Khong Chief District Officer	Department of Provincial Administration Ministry of Interior Chiang Khong District Office, Sai Klang Road, Wiang Subdistrict, Chiang Khong District, Chiang Rai, Thailand 57140
22. Ms. Angkana Yuenyongpanit Governing Officer at Senior Professional Level	Tak Provincial Administration Tak Provincial hall, Nong Luang, Muang Tak District, Tak Province, Thailand

Organizing Team – Mekong Institute

#	Name and Position	Organization and Address	Contacts
23	Mr. Madhuriya Kumar Dutta Director of Trade and Investment Facilitation Department (TIF)	Mekong Institute 123 Mittraphad Road, Khon Kaen, Thailand Web: www.mekonginstitute.org	Tel: +66 43 202 411-2, Ext. 2101 Fax: +66 43 203 656 Email: dutta@mekonginstitute.org
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26	Ms. Wen Hao Program Coordinator of Trade and Investment Facilitation Department (TIF)	Mekong Institute 123 Mittraphad Road, Khon Kaen, Thailand Web: www.mekonginstitute.org	Tel: +66 43 202 411-2, Ext. 2105 Fax: +66 43 203 656 Mobile/WhatsApp/LINE/WeChat (Thailand): +66 (0) 8 7423 2983 WeChat: jodiehao353 Mobile (China): +86 135 2935 7563 Email: haowen@mekonginstitute.org

9.3 Concept Note

Shanghai Pilot Free Trade Zone and China-Laos Mohan-Boten Economic Cooperation Zone

December 8-14, 2019

Background

Special Economic Zones (SEZs) are defined as a geographically delimited area, offering special incentives and benefits and, with a separate customs area to provide duty-free benefits and streamlined procedures. A significant shift in SEZ development in Cambodia, P.R China, Lao PDR, Myanmar, Thailand and Viet Nam (the “Lancang-Mekong countries”) is a growing attention to develop cross border economic zones (CBEZs) in the countries of this region. In particular, P.R. China and to some extent, Thailand has adopted strategies and measures to set up CBEZs involving one or more of their neighbours. Among the intended objectives of such CBEZs are to leverage labor and natural resources in border areas or of neighbouring countries with whom the CBEZs are being planned with. Encouraging building of regional value chains through the CBEZs is another intended objective. Though a number of CBEZs have been planned, mostly these have not been fully operational in the Lancang-Mekong region.

With the support of Lancang-Mekong Cooperation Special Fund of P.R. China, Mekong Institute, in coordination with Ministry of Commerce of Thailand, has been implementing four projects since 2018 as below:

- v) Joint Development of Cross-Border Special Economic Zones (LMC Project 1)
- vi) Upgrading Border Facilitation for Trade and Logistics Development (LMC Project 2)
- vii) Lancang-Mekong Business Forum (LMC Project 3)
- viii) Rural E-Commerce Development (LMC Project 4)

In line with the prioritized areas of the Five-Year Plan of Action on Lancang-Mekong Cooperation (2018-2022)⁴, the LMC Project 1 and 2 were designed to facilitate cross border trade and investment through effective cooperation mechanism between public and private stakeholders in six Lancang-Mekong countries, namely Cambodia, P.R. China, Lao PDR, Myanmar, Vietnam and Thailand. To achieve the goal, a variety of capacity building activities have been planned and under implementation since 2018. More specifically, the LMC Project 1 on “Joint Development of Cross-Border Special Economic Zones (SEZs)” aimed to promote Cross Border SEZs in the LM countries, foster coordination among SEZs authorities and stakeholders, boost trade and investment both from within and outside the sub-region, improve supply chain, upgrade production base, facilitate and enhance trade, as well as reduce poverty, and better the livelihood of the people. While the LMC Project 2 on “Upgrading Border Facilitation for Trade and Logistics Development” is designed to support policy and structural reforms so as to improve the key elements or factors of cross-border trade, and seek to enhance appreciation, knowledge and skills for greater efficiency in managing trade activities and travel flows as well as ensuring security compliance.

The aforementioned projects included several studies related to Special Economic Zones (SEZs) development, improvement of infrastructures and regulations for cross-border SEZs and custom modernization. These studies have further specified the project scope, defined training content and implementation strategy to match complementariness in border SEZs, and identified prioritized areas for facilitating cooperation between stakeholders in six LM countries. The study results have been used to design and deliver trainings on SEZ Management for related SEZ

⁴ Lancang-Mekong Cooperation China Secretariat, http://www.lmcchina.org/eng/hzdt_1/t1525364.htm, January 12, 2018.

authorities and Coordinated Border Management for officials from concerned agencies involved in cross border trade, logistics and SEZ.

Meanwhile, through capacity building initiatives for related stakeholders, a comprehensive SEZs database and information platform is in progress to service as virtual SEZs information services center for LM countries to provide relevant one-stop service information to SEZ operators, investors, exporters and importers.

In order to enhance knowledge and gain field experience, it is important to visit successful SEZs. In this regard, a structured learning visit (SLV) on December 8-14, 2019 for SEZs policy makers and authorities is organised to visit Shanghai Pilot Free Trade Zone, a testing ground established in for a number of economic and social reforms, and the China-Laos Mohan-Boten Economic Cooperation Zone, the national CBEZ approved by the State Council of PRC. The purpose of the SLV is to learn the best practices of FTZ and CBEZ development in China, to form insights on the key successful elements of SEZs and CBEZs development, including coordination and cooperation mechanism and synchronization of rules and regulations between stakeholders from two bordering countries, SEZs and CBEZs planning and operational strategies and procedures etc.

Objectives

The overall objectives of the SLV are to understand the significance of SEZs and CBEZs contributed to business operations, trade and investment. The specific objectives of the SLV are:

- To learn the best practices, gain understanding of the key elements of pilot FTZ and CBEZs development including coordination and cooperation mechanism and synchronization of rules and regulations, SEZs and CBEZs planning and operational strategies and procedures, facilities and infrastructure, policy initiatives, trade facilitation measures, , special financial and taxation innovations and investment incentives etc.
- To provide inputs for national strategy policy formulation and capacity building activities for Trade Zones and CBEZs promotion in LM countries;
- To share best practices, exchange of knowledge and develop networking opportunities between SEZs and CBEZs authorities and the participants;
- To offer business networking between Trade Zones and CBEZs authorities and the participants so as to attract investment for developing Trade Zones and CBEZs in the LM Mekong countries; and
- To collate and identify information for preparing the case studies by the participants.

Target Participants

The target participants for the SLV includes senior officials from national ministries related to commerce, industry, planning and investment and management bodies of special economic zone development of six LM Countries, i.e. Cambodia, P.R. China, Lao PDR, Myanmar, Thailand and Vietnam.

SLV Program Structure

The SLV contents will include *four interrelated sessions* as following

v. Prior to the SLV:

- Prior to the visit, all delegates are encouraged to inform MI about their specific expectations to the study trip in advance;

- It is also very important for all delegates to prepare a list of questions to ensure that their learning interests will be fulfilled, as well as the discussions with zone management authorities will be aligned with the objectives of the SLV.

vi. Debriefing Session on the SLV activity, December 9, 2019:

- A half-day debriefing session will be organized on Monday morning on December 9, 2019 to introduce the project background, the objectives, expected outcomes and agenda of the SLV;
- It will be followed by getting-to-know-each-other and networking session;
- A pre self-assessment will be delivered to all participants to obtain their knowledge and understanding on the visiting subjects, so as to compare the changes after the trip;
- All delegates will be divided into country groups to confirm their expectations of the SLV. According to each delegate's background and interests, each country group will be guided to allocate proper learning tasks to their group members. Each country group is expected to prepare questions to discuss, learn and collect needed information, best practices and experiences from the meetings and visits of the SLV. The collected information will help delegates to prepare their country case studies, which should reflect their learning results on the importance aspects of Trade Zone and CBEZs development.

vii. Meetings and study tour at Shanghai Pilot Free Trade Zone on the afternoon of December 9, 2019, and China-Laos Mohan-Boten Economic Cooperation Zone in Mohan of P.R. China and Boten of Lao PDR on December 11-12, 2019 to exchange information, build up networking and foster collaboration with stakeholders of SEZs and CBEZ so as to expand trade and investment opportunities inside and outside the LM region.

viii. Synthesis and Evaluation of the SLV will be organized on the last day of the trip on December 13, 2019.

- Each country group will be required to present their country synthesis report (the M.S. PowerPoint report format will be provided by MI) to reflect their gained knowledge and information from the visit, highlight the key takeaways to provide recommendations for national strategy and any specific development projects on trade zones and CBEZs in their country including the border areas.
- The post self-assessment and evaluation form.

Assignments

Each participant will be required to prepare case study (ies) on allotted topics which will be used later as policy inputs for promotion of CBEZs in the LM countries and also to incorporate in future project design. Specific task(s) will be allotted to each participant to record and note during the site visits and submit in form of case studies to MI. Below are the topics for possible assignment of tasks.

- Development plan, complementary and priority areas, functions, and management and operational strategy;
- Mechanisms of cooperation and coordination among different authorities and stakeholders within one country, and between two countries, who involved in establishment and development of the Free Trade Zone and CBEZs;
- Synchronization of rules, regulations, and the regulatory environment as inputs for national strategy policy formulation;

- Public and private collaboration modalities and prospects for investments into Trade Zones and CBEZs from both within and outside the region;
- Operational models with investment conditions, international trade and customs, taxation;
- Integrated infrastructure and facilities e.g. Cargo X-ray, common control area, paperless system;
- Information management system and promotional strategy;
- Industrial / production clusters;
- Trade facilitation measures;
- Formation of business networking opportunities to establish investment for developing Trade Zones and CBEZs in the country and the LM region;
- Capacity building activities for promotion of Trade Zones and CBEZs;

Expected outcomes

At the end of the program, the participants should be able to gain understanding of the development process, management and functioning of Trade Zones and CBEZs to adopt/introduce similar models in their country. Furthermore, the participants will be able to:

- identify complementary and priority areas of Trade Zones and CBEZ development strategies and operational models with investment conditions, international trade and customs, taxation, and the regulatory environment;
- determine inputs for national strategy policy formulation and capacity building activities for Trade Zones and CBEZs promotion;
- build mechanisms of cooperation and coordination among different authorities and stakeholders involved in establishment and development of Trade Zones and CBEZs, public and private collaboration modality and prospects for investments into Trade Zones and CBEZs from both within and outside the region;
- offer business networking opportunities to establish investment for developing Trade Zones and CBEZs in the country and the LM region;
- establish at least one business investment / cooperation / activity with prospective business partners to Trade Zones and CBEZs in their country and/or the LM region.
- collate and identify information for preparing case studies;

Reference: About the Visiting Sites

1. Overview of Economic Zones in China

Chinese Special Economic Zones (SEZs) vary in scope and function. Some are designated geographical spaces where special policies and measures support specific economic functions. Others include free-trade areas, industry parks, technical innovation parks and bonded zones that facilitate experimentation and innovation over a wide range of industries. In 2014, there were six (6) SEZs, 14 open coastal cities, four (4) pilot free trade zones and five (5) financial reform pilot areas. There were also 31 bonded areas, 114 national high-tech development parks, 164 national agricultural technology parks, 85 national eco-industrial parks, 55 national ecological civilization demonstration areas, and 283 national modern agriculture demonstration areas.

Among them, China promotes Border Development Zones, with at least 15 Border Economic Cooperation Zones (BECZs) along its borders with neighbouring countries. These were enabled by a 1992 decision by China's State Council, which created the bulk of these BECZs and gave

their host cities open status, allowing them greater legal scope to attract foreign investment.⁵ The decision was an extension of the opening up process that began in 1978 which primarily benefited coastal provinces.

BCEZs in the north of the country aim to promote cohesion of the Chinese state by encouraging development in areas with high concentrations of ethnic minorities. Those in the south aim to promote integration with neighbouring economies of Lao PDR, Vietnam, Myanmar, North Korea, and Russia.⁶ The success of China's BEZs is mixed and contested, stimulating some local development but lagging far behind China's other SEZs. According to Wood and Siziba, the combined output of the BEZs in 2008 was merely 15% of the SEZs along the western coast, and only 1.3% of the total output of the (much larger) National Economic and Technological Development Zones. They also caution that evaluating the success of the zones must also take into account China's incredibly rapid growth rates, remarkably strong state, and an established track record of using SEZs, but note that they are nonetheless a source of useful lessons.⁷



Source: https://transportgeography.org/?page_id=4103

2. Shanghai Pilot Free Trade Zones

The China (Shanghai) Pilot Free Trade Zone (SHFTZ), located in Pudong New Area, is a regional free trade zone founded by the government of China. It was established on September 29, 2013 and originally consisted of Waigaoqiao Free Trade Zone, Waigaoqiao Free Trade Logistics Park, Yangshan Free Trade Port Area and Pudong Airport Free Trade Zone. The State Council decided on December 28, 2014 to expand SHFTZ by incorporating Lujiazui Financial and Trade Zone, Jinqiao Economic and Technological Development Zone, and Zhangjiang Hi-Tech Park, enlarging the SHFTZ from 28.78 square kilometers to 120.72 square kilometers.



⁵ Wood, Christopher, and Clarence Siziba. 2015. The Potential for Border Development Zones (BDZs) on South Africa's Northern Border. Unpublished Draft. http://www.tips.org.za/files/border_development_zones_on_south_africas_northern_border.pdf. p.7

⁶ Wood, Christopher, and Clarence Siziba. 2015. The Potential for Border Development Zones (BDZs) on South Africa's Northern Border. Unpublished Draft. http://www.tips.org.za/files/border_development_zones_on_south_africas_northern_border.pdf.

⁷ Ibid. p. 8

Source: http://en.china-shftz.gov.cn/2018-08/17/c_263780.htm

Other readings:

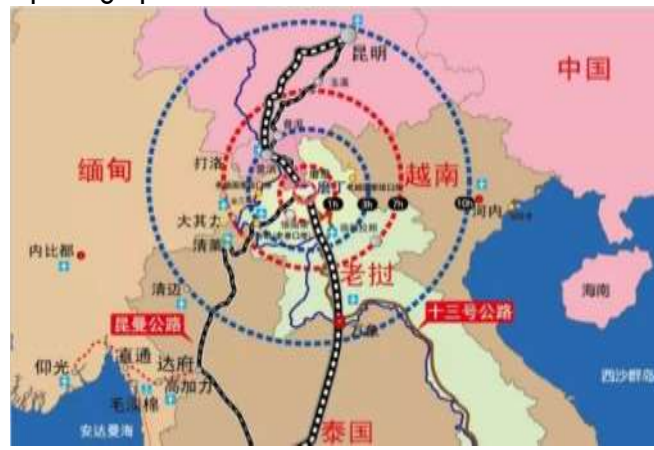
- i) **Shanghai Free Trade Zone** at <https://www.ftz-shanghai.com/>
- ii) **China: highlights of the Shanghai Free Trade Zone**, Asia Pacific Economic Research [https://www.jpmorgan.com/cm/BlobServer/China_Highlights_of_the_Shanghai_Free Trade_Zone.pdf?blobkey=id&blobwhere=1320623477943&blobheader=application/pdf&blobheadername1=Cache-Control&blobheadervalue1=private&blobcol=urldata&blobtable=MungoBlobs](https://www.jpmorgan.com/cm/BlobServer/China_Highlights_of_the_Shanghai_Free_Trade_Zone.pdf?blobkey=id&blobwhere=1320623477943&blobheader=application/pdf&blobheadername1=Cache-Control&blobheadervalue1=private&blobcol=urldata&blobtable=MungoBlobs)
- iii) **China (Shanghai) Pilot Free Trade Zone**, by HKTDC Research, Sep 18, 2019 <http://china-trade-research.hktdc.com/business-news/article/Facts-and-Figures/China-Shanghai-Pilot-Free-Trade-Zone/ff/en/1/1X000000/1X0A2U8A.htm>

3. China-Laos Mohan-Boten Economic Cooperation Zone

On August 31, 2015, witnessed by the Chinese President Xi Jinping and the Laotian President Choummaly Sayasone, Chinese Minister of Commerce Gao Hucheng and the Laotian Deputy Prime Minister Somsavat Lengsavad officially signed the Joint General Scheme of Mohan-Boten Economic Cooperation Zone (hereinafter referred to as the Joint General Scheme) on behalf of the government of the two countries.⁸

The signing of the Joint General Scheme is an important milestone of the development of China-Laos economic and trade cooperation. In order to implement the policy of “long-term stability, good-neighborly relationship, mutual trust and comprehensive cooperation”, to promote the proposal of “One Belt and One Road” jointly, to consolidate and to develop the bilateral comprehensive strategic cooperation partnership, and to enhance the level of the bilateral reciprocal cooperation, China and Laos decided to build and develop China and Laos Mohan-Boten Economic Cooperation Zone on the border of Chinese Yunnan Province and Laotian Namtha Province. This is the second cross-border economic cooperation zone established by

China and the bordering country after the China-Kazakhstan Horgos International Frontier Cooperation Center. It is an important measure for China and Laos to create new cooperation mode and accelerate opening up.



Source: http://www.sohu.com/a/326644672_120065163

⁸ Ministry of Commerce of P.R. China, September 1, 2015. <http://english.mofcom.gov.cn/article/newsrelease/significantnews/201509/20150901109922.shtml>

After coming into effect, the Joint General Scheme will further promote their advantageous economic complementarity of the two countries, facilitate trade investment and personnel communion, promote industrial cooperation, and accelerate the development of the border area of the two countries. It will benefit the border area and the people of the two countries.

On May 14, 2018, the 1st Mohan-Boten Economic Cooperation Zone Joint Steering Council Meeting was held in Kunming, P.R. China. Ms. Gao Yan, Vice Minister of Commerce of P.R. China and Mr. Khamlien Pholsena, Deputy Minister of Planning and Investment, Lao PDR co-chaired the Meeting. The meeting reviewed and passed the work plan of Mohan-Boten Economic Cooperation Zone Joint Steering Council, listened to industrial work reports and panel reports of both sides and exchanged views on issues of common concern.⁹

Witnessed by leaders of both sides, China and Laos jointly signed the Common Master Construction Plan of Mohan-Boten Economic Cooperation Zone in August 2015 and the General Plan for Common Development Plan of the Mohan-Boten Economic Cooperation Zone (Outline) in November 2016. The two sides established a joint steering council, and a work mechanism at three levels of central government, local government and management committee of cooperation zone. At the meeting, both sides agreed to jointly step up the cooperation zone's construction under the steering council mechanism, make easier conditions for trade, investment and personnel exchanges, promote bilateral industrial cooperation and benefit the border regions and its people.

⁶¹ Ministry of Commerce of P.R. China, May 2018.

<http://english.mofcom.gov.cn/article/newsrelease/significantnews/201805/20180502744222.shtml>

4. Boten Beautiful Land Special Economic Zone

Location	Louangnamtha Province	
Establishment	2003	
Total Investment	500,000,000 USD	
Developer	Private 100 % (Chinese)	
Area	1,640 ha	
Land Tenure		
Location Advantage	The project site is geographically located adjacent to Road A3 as a strategic route to connect to ASEAN+3 (China, Korea and Japan).	
Investment Projects	1. Agriculture, Livestock, Manufacturing Industries. 2. Cultural Center, 5 Star Hotel, Resort.	

	<ol style="list-style-type: none"> 3. Golf Field, Tourism Zone. 4. Education Institution, Public Health Center. 5. Business and Trade Area. 6. Development of Real Estate and Financial Institution: Banking, Stock Market. 7. Post and Telecommunication. 8. Warehouse and Distribution Logistics Area
 	

Source: Investment Promotion Department, Ministry of Planning and Investment
<http://www.investlaos.gov.la/index.php/where-to-invest/special-economic-zone?start=2>

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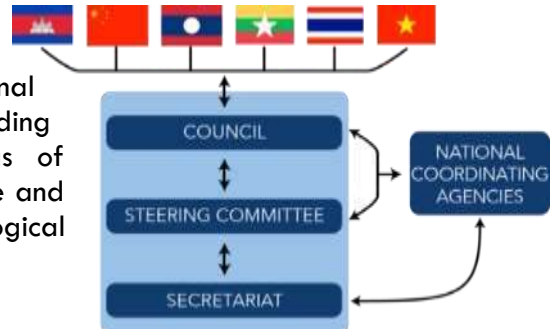
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Greater Mekong Subregion

The Greater Mekong Sub-Region (GMS) comprises of five Southeast Asian countries and two provinces of China sharing the Mekong River, namely Cambodia, Lao PDR, Myanmar, Thailand, Vietnam and Yunnan Province, Guangxi Autonomous Region of the People Republic of China.

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Mekong Institute (MI) is a **GMS** Inter-Governmental Organization (IGO) owned and promoted by the Governments of six GMS countries to promote regional development, cooperation and integration by offering standard and on-demand capability development programs and projects across three cutting themes of Agricultural Development and Commercialization, Trade and Investment Facilitation, and Innovation and Technology Connectivity.



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