

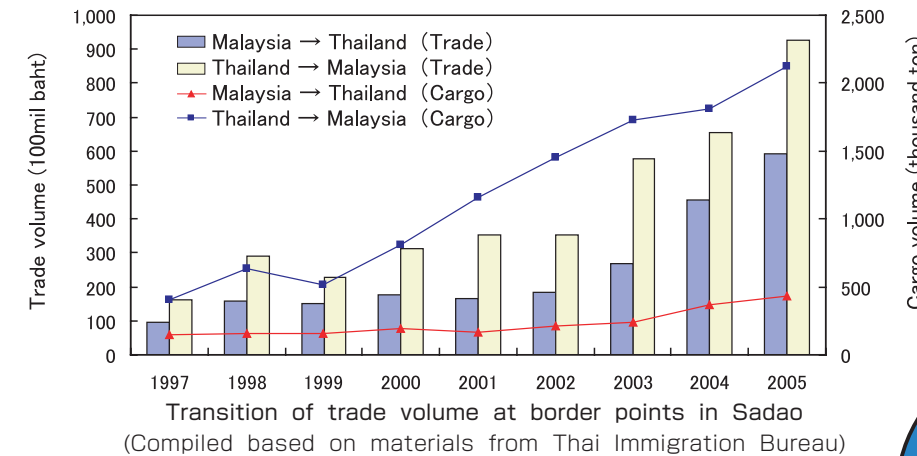
The impact of CBTI (Example of border between Thailand and Malaysia)

On the border between Thailand and Malaysia, running east and west in the center of the Malay Peninsula, there are major border points on the east and south sides. The CBT on west side is conducive to long-haul human exchange and trade between Thailand and Malaysia, while the CBT on the east side is mainly for residents in the border area. Although the conditions are the same for the east and west borders in terms of existing CBTI with roads and railways, they came to fulfill different infrastructure functions as stated earlier due to their physical conditions, development status of cross-border road network in two countries, functions of railway stations, status of software infrastructure building, and physical relationship with ports. The functions of the CBTI are not uniform but should correspond to each regional situation.

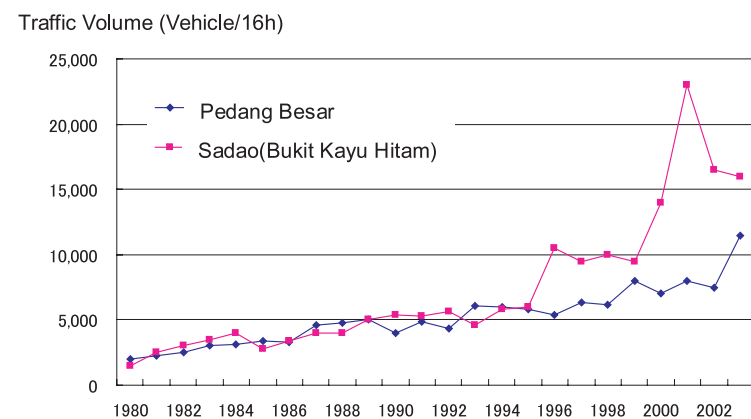
Province (Thai side)	Mode of transportation	Thai side	Malaysian side	Current situation
Songkhla (west side)	Road	Sadao	Bukit Kayu Hitam	Arterial roads are constructed. On Malaysian side, the road reaches to Kuala Lumpur. The condition of roads with two lanes on Thai side is excellent.
	Railway/Road	Padang Besar	Padang Besar	<Railways> Procedures of both countries are done at one building on the border. After getting off the trains, departure formalities are made at the window and entry formalities are done at adjacent window, which take five minutes each. For container cargoes from Bangkok to Port Klang, single-stop inspections have been used since 2005. <Roads> Traffic volume is lower than Sadao. Narathiwat
Narathiwat (east side)	Railway/Road	Sungai Kolok	Rantau Panjang	<Railways> Like Padang Besar, procedures of both countries are done at one building on the border. <Roads> Kolok river is on the border and this area is known for smuggling. Both countries are connected by national highways over the bridge between Sungai Kolok and Rantau Panjang.

In Sadao, The trade volume has been on the rise since 2000 when an IT system was introduced.

Note: Thanks to EDI, the travel time for cross-border cargoes from Malaysia to Thailand was reduced by 60 to 90 minutes.



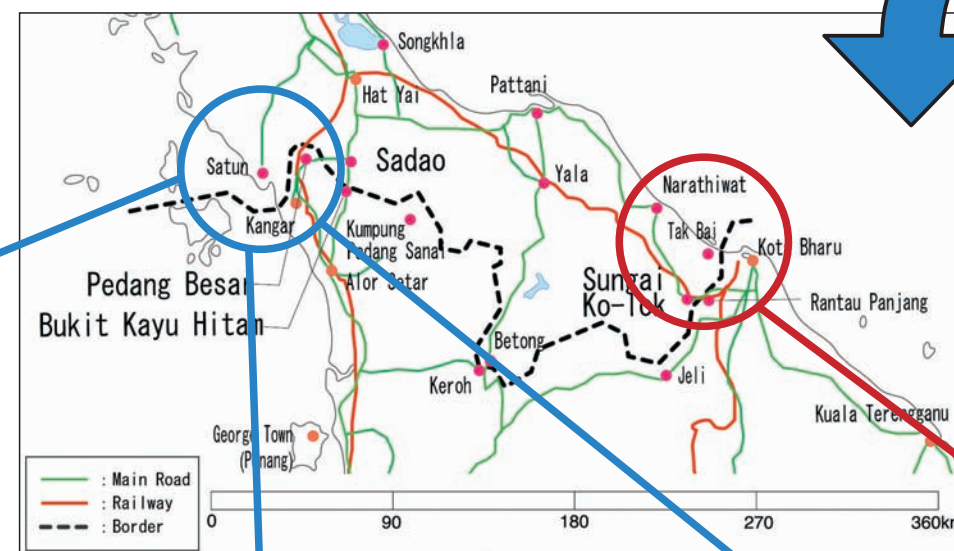
In Sadao, the traffic volume is on the rise since 1994 when highway on Malaysian side was launched on a full scale.



Trends in cross-border traffic volume between Thailand and Malaysia (Compiled based on results of Malaysia's domestic traffic volume survey)

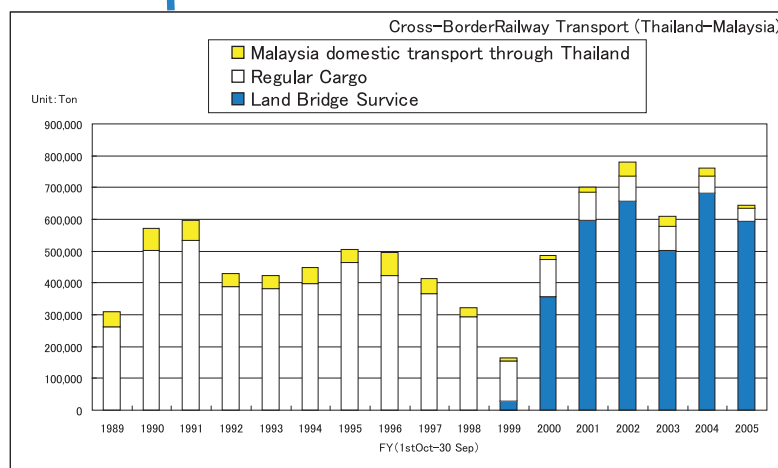
Notes: The above figures differ from actual cross-border traffic volume since it is a sum of through traffic leading to the border based on domestic traffic volume survey in Malaysia.

- Reference: 5 innovations for increasing the CBT:
(T. Yoshida, 2001, paper produced for academic conference on international development "Lessons from the cross-border transport system building between Malaysia and Thailand")
1. Innovation in trade system (e.g. lowering tariff barriers)
 2. Innovation in transport technology (e.g. popularization of container transport to promote multimodal transport)
 3. Innovation in infrastructure service management (e.g. privatization of section responsible for infrastructure service)
 4. Innovation in information services for secure transport by reassuring consignors
 5. Financial innovation to promote credit expansion and facilitate settlement.

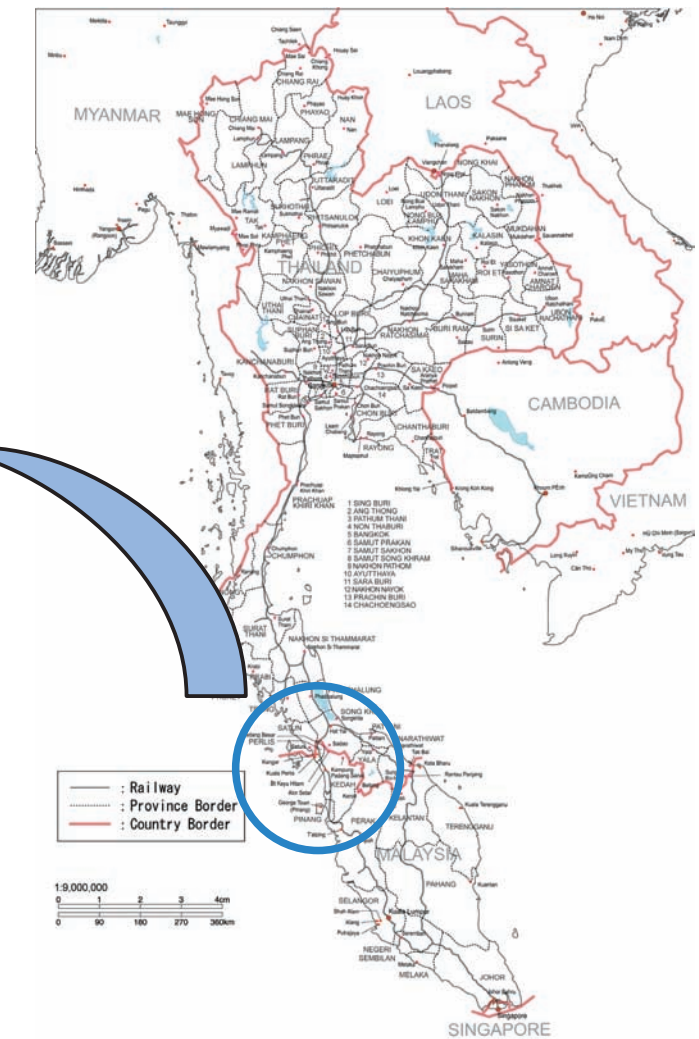


Land bridge service* made a full-scale start in 1999, which led to an increase in demand.

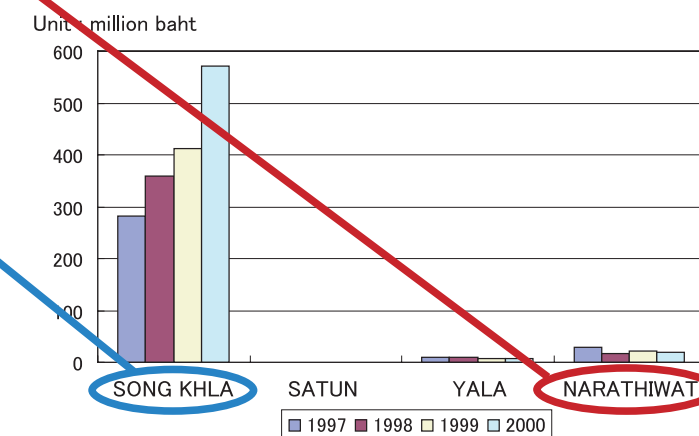
Notes: Container transport service bases on cooperation between SRT and KTM, linking Bangkok and Kuala Lumpur within 60 hours. Inspection at the cross-border point is omitted.



Transition of cross-border railway freight volume between Thailand and Malaysia (Compiled based on materials obtained from SRT)



The roles of the CBTI vary among borders. Border in the west: For trade and a long-haul freight transportation between Thailand and Malaysia. Border in the east: Mainly for transport of residents in border area



Provincial trade volume (Thai side) with Malaysia (Compiled based on Thai national trade statistics)