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 CBTI on the east side is conducive to long-haul human exchange and trade between Thailand and Malaysia, while the CBTI 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, they have 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 different but should correspond to each regional situation.

<table>
<thead>
<tr>
<th>Provinces (Thai side)</th>
<th>Mode of Transport (Transportation)</th>
<th>Thai side</th>
<th>Malaysian side</th>
<th>Current situation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road</td>
<td>Sedao</td>
<td>Bukit Kayu Hitam</td>
<td>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.</td>
<td></td>
</tr>
<tr>
<td>Songkhla (east side)</td>
<td>Railway/ Road</td>
<td>Pedang Besar</td>
<td>Pedang Besar</td>
<td>Railway: Procedures of both countries are done at one building on the border. After getting off the train, departure formalities are made at the window and entry formalities are done at adjacent window, which take five minutes each. For container cargoes from Bangkong to Port Klang, single-stop inspections have been used since 2005. Roads: Traffic volume is lower than Sedao. Narathiwat.</td>
</tr>
<tr>
<td>Narathiwat (east side)</td>
<td>Railway/ Road</td>
<td>Sungai Kobok</td>
<td>Ramann Paitung</td>
<td>Railway: Like Pedang Besar, procedures of both countries are done at one building on the border. Roads: River is on the border and this area is known for smuggling. Both countries are connected by national highways over the bridge between Sungai Kobok and Ramann Paitung.</td>
</tr>
</tbody>
</table>

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

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

Notes:
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.

Reference: 5 innovations for increasing the CB: (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)
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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.