

An analysis of the constraining factors on Greater Mekong Subregion cooperation: A case study of the Kunming-Bangkok Channel

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ABSTRACT—Greater Mekong Subregion (GMS) cooperation from the perspective of regional development is restricted by political, economic and cultural factors in the process of promotion. The Kunming-Bangkok corridor is the central line of the GMS South-North Economic Corridor, which was jointly launched by the Asian Development Bank and China to connect China and ASEAN Countries. But as soon as the Corridor was built in 2013, it was found to be difficult to break through the bottleneck of development. This can be seen as a common point in different aspects of GMS cooperation. Moreover, the different demands and institutional differences of various countries on the Mekong River are political factors that restrict GMS cooperation development. The gap between countries in the level of economic development makes it difficult to establish complementarity, resulting in the long-term stagnation of regional cooperation at this stage. In addition, people from different countries in the region have different understandings on development, which makes it difficult for regional forces to coordinate and integrate. Although there are various constraints, economic demand will break through the layers of constraint and further promote regional cooperation, once the door to economic cooperation is opened. To sum up, it is expected there are still broad prospects for the development of the Kunming - Bangkok Corridor between China and Thailand.

Keywords: Kunming-Bangkok Channel, restrictive factors, structural problems, mutual complements in economy, cultural difference

Introduction

In 1988, Chatichai Choonhavan, the then prime minister of Thailand, proposed the Indochina Initiative to convert the Indochina battleground into a commercial market. In 1992, the Asian Development Bank, China, and five countries along the Mekong launched a cooperation plan for the Greater Mekong Subregion (hereinafter referred to as *GMS*) covering the six countries and seven parties and the plan has had great achievements in the past two decades. But the bottleneck in its deepening development is also increasingly prominent. The development of the Kunming-Bangkok Channel, the central line of the south-north economic corridor of the *GMS*, which was jointly promoted by the Asian Development Bank and China, reflects some of the problems of *GMS* development.

The Kunming-Bangkok Channel in a narrow sense refers to the Kunming-Bangkok Expressway, which starts from Kunming, goes through Yuxi, Yuanjiang, Pu'er, Jinghong, and crosses Mohan Port to Boten Port in Laos, and then goes through Luang Namtha and Ban Houayxay of Bokeo Province, and enters Chiang Khong in Thailand across the Mekong River Bridge. It reaches Bangkok via Chiang Rai and Chiang Mai, covering a total of 1,818 kilometers. The Kunming-Bangkok Channel in a broad sense contains highways, railways, the Mekong River shipping lines and air transport lines. This paper mainly discusses the Kunming-Bangkok Channel in the narrow sense, namely the Kunming-Bangkok Expressway, which was opened in 2008, and linked the whole line together after the Mekong River Bridge between Ban Houayxay, Laos and Chiang Khong, Thailand, had been completed and came into use at the end of 2013.

According to the feasibility study for the project's approval and the construction of Kunming-Bangkok Expressway, there are supposed to be considerable economic and social benefits after its completion. Based on a quantitative analysis of its economic benefits, the conclusions are as follows: firstly, logistics time would be greatly saved. It takes only twenty hours by car from Kunming to Bangkok on the Kunming-Bangkok Expressway, truly realizing a start at dawn and arrival at dusk. Transportation using the Kunming-Bangkok Expressway could save more than ten days compared to the traditional seaway transportation. Secondly, logistics costs would be greatly saved. For the delivery of

goods, it would mean real savings on transportation time and costs via the Kunming-Bangkok Expressway, due to the reduction of intermediate links. Thirdly, there would be huge volumes of goods and visitors with broad prospects. By this calculation, with the completion of the China and ASEAN Free Trade Area (CAFTA) and the significant increase in bilateral trade, there would be over 1,000 trucks of 15 to 20 tons participating in busy transportation in this section throughout the year, and there would be 5 million visitors passing through every year (Qichang Li 2004). It could effectively promote economic and social development along the line and realize the magnificent transformation from “transportation corridor” to “economic corridor.”

In fact, the Kunming-Bangkok Expressway has been open for ten years, since 2008. There has been an increase in the volume of trade and direct investment between Yunnan and Thailand, with bilateral exchanges and economic ties between the two. Due to the failure of “one-stop” customs clearance, the logistics cost is actually higher than that of sea transportation and the logistics cycle is two or three days. The volume of logistics and trade between Yunnan and Thailand is far from what is expected on the Kunming-Bangkok Channel. Only the flow of people has reached the expected level. That is to say, due to multiple restrictive factors, the Kunming-Bangkok Channel has not yet been upgraded to an economic corridor from a transportation corridor. This paper analyzes the factors that make it difficult for the Kunming-Bangkok Channel to upgrade from a transportation corridor to an economic corridor, discusses factors restricting the cooperation between China and the GMS, and tries to put forward suggestions for the development of the Kunming-Bangkok Expressway.

Literature review

In recent years, there has been much academic research on greater Mekong Subregional cooperation (Goh 2007; Osborne 2000; Medhi 2004; Mya Than 1997; Siriluk 2004; Hori 2004). Most scholars believe that GMS cooperation has played a positive role in the development of countries in the region. Chheang Vannarith considers that GMS cooperation schemes and mechanisms have played a significant role in linking the six countries in the Subregion especially through infra-

structure connectivity and economic integration. The development partners, especially the Asian Development Bank, are the driving forces supporting the Subregion by means of financial and technical support (Chheang 2014). The rich human and natural resource endowments of the Mekong region have made it a new frontier of Asian economic growth. Indeed, the Mekong region has the potential to be one of the world's fastest growing areas. With many projects and well-designed programs, the Mekong region has been credited with remarkable progress and achievements in following main sectors (Chap 2006). GMS cooperation is conducive to promoting the economic development of new ASEAN member states and Thailand, narrowing the development gap between new and old ASEAN member states, promoting the integration process of ASEAN and building the ASEAN community (Shao and Liu 2014). A more integrated GMS will improve logistics within the CLMV countries—Cambodia, Lao People's Democratic Republic (PDR), Myanmar and Vietnam—help spread manufacturing supply chains to the CLMV and support a sustained high growth of CLMV, thereby reducing the disparities among GMS economies (Verbiest 2013).

At the same time, many scholars also believe that there are many constraints on the development of the GMS. The restricting factors are mainly concentrated in these aspects, namely, economic factors, political factors such as problems in cooperation mechanisms, and social factors such as the pressure of environmental protection. On the economic level, the major obstacle to economic cooperation in the GMS lies in the fact that most of the developments in this Subregion have been at different stages; thus, there is a development gap between Thailand and other GMS countries. This gap has also become a major problem for the economic integration of the GMS because some members (Cambodia, Laos and Myanmar) tremendously lag behind the other members. The development gaps in the GMS contain the following major aspects: income gap, health gap, knowledge and information gap, and gaps in rights, opportunities and the power of negotiation (Chareonwongsak and Chareonwongsak 2005).

Meanwhile, Mekong countries face homogeneous competition in industrial development. Among GMS, competition to find markets for similar products, especially agricultural products, creates complexity in economic cooperation. The different levels of production capacity

among GMS create different cost factors and make it more difficult for the poorer economies to win in competition (Chap 2006).

At the level of cooperation, the first element is the mechanism of Subregional cooperation. Verbiest (2013) noted that the region will face greater challenges from the software side of connectivity development compared with hardware infrastructure development. The need to involve many institutions in each country and the uneven capacity levels of institutions within and between countries have been indicated. On this issue, it is important to add that a critical problem is the lack of an adequate cooperation framework that will ensure appropriate benefit sharing among the various countries from the physical connectivity (Verbiest 2013). Although the Asian Development Bank has proposed various GMS cooperation projects to promote integration among GMS countries but Dosch's passing comment is that the GMS "look[s] more like a collection of many Subregions, instead of one cohesive Subregion" (Dosch 2007, 269). Because of this, there is another problem at the institutional level in specific cooperation; countries fail to reach a complete consensus on cross-border logistics, which restricts the integrated development of the Subregion.

On environmental protection, the rich and diverse natural resource base of the GMS is suffering from increasing stress as a result of rapid demographic and economic change, unsustainable exploitation, the impact of development programs and projects, and the relative weakness of the protective and regulatory institutions. Hence, the development of the Mekong region has increased the demand for the over-exploitation of natural resources that places excessive pressure on the environment (Chap 2006).

The existing research provides a good reference point for this research. However, most current research is conducted from the perspective of the overall development of GMS, and the achievements of general research on GMS are quite sufficient. It seems that not enough case studies have been conducted from the perspective of specific cooperative projects and development of specific economic corridors in GMS cooperation. In this paper, the Kunming-Bangkok Channel, the north-south economic corridor of GMS, is taken as an example to discuss the factors restricting the cooperation of GMS, which may help us to see the challenges in the cooperation of GMS.

Analysis of political factors restricting the development of the Kunming-Bangkok Channel

The political factors restricting the development of the Kunming-Bangkok Expressway refer to the institutional differences and structural problems in GMS cooperation between China and Thailand. At the institutional level, there are great differences in the government decision-making mechanisms, traffic management systems and customs clearance, inspection and quarantine systems that seriously hinder the upgrading of the Kunming-Bangkok Expressway from a transportation corridor to an economic corridor. Structural problems of various countries in the GMS point to the different demands and positions of China and Thailand in the Kunming-Bangkok Economic Corridor and the whole of GMS cooperation.

Institutional problems

Firstly, there are differences in decision-making and implementation systems at all levels. There are great differences between China and Thailand in terms of the national system, such as how major decisions get made. Thailand is a constitutional monarchy. In order to make a decision, the procedure and cycle that the country needs to go through is very different from that of China. The Thai entrepreneurs and politicians whom the author contacted in this investigation, believed that if Thailand's parliament makes a proposal, such as the establishment of an industrial park in Chiang Rai along the Kunming-Bangkok Expressway, or the construction of the expressway from Chiang Khong to Chiang Mai, it will go through layers of argument, as well as needing the investment of enterprises for completion. Differently, in China, if a development project is proposed, the state will not only dominate from top to bottom but will also bear the cost of construction.

Secondly, the road traffic management standards of China and Thailand are not unified, leading to difficulties in traffic law enforcement. In March 2018, China, Cambodia, Laos, Thailand and Vietnam signed a Memorandum of Understanding or agreement on the facilitation of cross border transport of goods and persons in the Greater Mekong Subregion with an Early Harvest Program (International Road Transport for the Greater Mekong Subregion 2019). However,

things are not unified when it comes to traffic law enforcement standards in China, Laos and Thailand and are not in place in the information exchange of traffic law enforcement in the three countries, resulting in the difficulty of traffic law enforcement. For example, in Yunnan, motor vehicle drivers for cross-border transport can have more traffic violations since they are not familiar with the traffic laws and regulations in China nor the Chinese language. At present, there are no clear regulations on the treatment of traffic violations and accidents for vehicles and drivers of cross-border transport in the laws and regulations of China and Thailand, so the traffic control departments lack operational norms in the process of law enforcement. Moreover, it is difficult to unify traffic law enforcement standards and ensure unobstructed roads.

Thirdly, there are great differences between China and Thailand in terms of standards for customs clearance, inspection and quarantine, which seriously hinder the upgrading of the traffic corridor into an economic corridor. For example, in respect of inspection and quarantine, there are only provisions in line with those at the relevant international health organizations and international agreements in the Inspection and Quarantine of Food, Animals and Plants, Article 9 of Part 4 in the Transport Agreement. Regulations are different in the inspection and quarantine management systems of China, Laos and Thailand. There are great differences in the legal and standard systems and information exchange is not smooth, resulting in difficulties in the promotion of the inspection and quarantine. On April 21, 2011, China's Inspection and Quarantine Bureau and the Ministry of Agriculture and Cooperatives in Thailand signed protocol on requirements for the inspection and quarantine of fruits imported and exported through the Kunming-Bangkok Expressway, marking the import and export of fruit in China and Thailand in the mode of general trade. (Shijie Ribao 2011). However, there are yet no unified standards for the inspection and quarantine of imported and exported vegetables, which severely restricts the agricultural trade between Yunnan and Thailand, so that agricultural products with advantages in China and Thailand fail to smoothly enter each other's markets, suppressing the trade volume of the Kunming-Bangkok Expressway.

The signing of the cross-border transport facilitation agreement between China and Thailand was delayed by the domestic political

situation in Thailand in 2014. Prayuth was re-elected prime minister after Thailand's 2019 general election but he will face more complicated political trade-offs at home. Changes in Thailand's internal affairs will also have a negative impact on the progress of GMS cooperation, especially the signing of relevant agreements.

Structural problems

Each country sits in a different geographical position along the Kunming-Bangkok Expressway and the whole GMS, and has different levels of social and economic development, leading to different demands and positionings of countries on the Kunming-Bangkok Channel. The countries have different understandings of their positions in the resource development and trade divisions and have inconsistent starting points, interest points and senses of urgency regarding cooperation, which all leads to uncertainty affecting cooperation. For example, the focus of Yunnan province is to help the frontier areas in Yunnan to be able to get out of poverty and develop to become China's frontier area connecting with the Indochina Peninsula. But interest in that particular mission is not shared by neighboring countries. Thailand is more concerned about its economic and social development, more dependence on the Chinese market to catch up with the rapid growth of China's economy and whether or not Thailand can play a leading role in Subregional cooperation. Because of their different demands concerning the Kunming-Bangkok Expressway, they have different attitudes towards infrastructure construction along the Kunming-Bangkok Expressway. For example, the agreement on cross-border transport facilitation between China and Thailand started negotiations in 2012 but it did not sign the memorandum of "Early Harvest" until 2017. In addition, the Chinese section of the Kunming-Bangkok Expressway completed highway construction, for high-speed travel, for the whole line before 2013 but the agenda for the expressway construction from Chiang Khong to Chiang Mai has not yet been included in Thailand's national agenda, a situation closely connected to the wait-and-see attitude of the Thai government on the Kunming-Bangkok Expressway.

Economic factors restricting the development of the Kunming-Bangkok Channel

Examining the economic factors that restrict the development of the Kunming-Bangkok Channel, the different levels of economic development among countries along the line lead to different degrees of development and different focuses on development, affecting the development of the Kunming-Bangkok Economic Corridor. Additionally, there are also the following factors: the logistics infrastructure is not perfect; the advantages of frontier trade are restricted by the disadvantages of the policy; and the competitive industries of the countries along the line have not been fully developed.

The imperfections of the logistics infrastructure

The logistics foundation for this project is weak and this is reflected in several aspects of the undertaking. Firstly, the needs for infrastructure construction are not compatible with the countries' capabilities. There are different levels of roads that have been built. The Chinese section of the Kunming-Bangkok Expressway has already readied roads for high-speed traffic along the whole line but the section from Chiang Khong to Chiang Mai in Thailand is only a provincial highway. Not only that, most of the roads in Thailand are not closed off and there are many sections where motor vehicles, people and livestock mix together. The inconsistent levels in the construction of highway pavements seriously affect the traffic efficiency of the Kunming-Bangkok Expressway.

There are some problems in port infrastructure construction as well. Most of the ports along the Kunming-Bangkok Expressway are lagging behind in terms of port and channel inspection facilities, inspection sites, warehousing and logistics facilities, duty, offices, living spaces and other infrastructure projects failing to comply with the regulations of "two inspections at one port," and the development of the international logistics industry. Because of these problems, the Kunming-Bangkok Expressway fails to achieve "one-stop" customs clearance (Jianxun Kong 2015).

Therefore, the current Kunming-Bangkok Expressway is riddled with issues. This includes customs clearance, high transaction costs and many links in transportation, high shipping and delivery costs,

many links for highway tolls, high transportation costs, low-grade highway, a high breakage rate of goods, long logistics cycles and all in all high trade costs, leading to a lack of comparative advantages of logistic costs for the Kunming-Bangkok Expressway.

The restriction of advantages of frontier trade by the disadvantages of the policy

There are two aspects to this legislation problem. One is that China's relevant policies have restricted the play to the advantages of frontier trade in Yunnan. The other is that exemptions or reductions of customs duty are not really being realized between countries along the Kunming-Bangkok Expressway, suppressing the advantages of frontier trade.

The development of frontier trade for many years has made all of the economic development of the Yunnan frontier rely on frontier trade to a great extent and has created a situation wherein frontiers are prosperous when the frontier trade is flourishing and the frontiers decline in tandem with the frontier trade. However, since the mid 1990s, the Chinese government has implemented border trade according to general trade policy and the advantages of Yunnan's border trade have disappeared. Countries along the Kunming-Bangkok Expressway have also adjusted their tariff policies for frontier trade. In addition, trade between Yunnan and neighboring countries continues to show an unbalanced trend, so that it is difficult to eliminate tariff barriers of countries along the Kunming-Bangkok Expressway. Thus, the Kunming-Bangkok Expressway is unable to play the role of trade channel.

The restriction of corridor advantages by the disadvantages of unbalanced regional economy development

At present, the Kunming-Bangkok Expressway has advantages when it comes to short-haul logistics and trade. However, more than 50% of the areas along the expressway between Kunming and Bangkok, covering a distance of 1,800 km, are fairly undeveloped, mainly in southern Yunnan, Laos and the northeast of Thailand (Tiejun 2010). The people in these areas have not been involved in the construction of the Kunming-Bangkok Expressway and fail to share in the benefits from the development of the Kunming-Bangkok Economic Corridor

and are not even able to provide the commodities for the Sino-Thai trade. The production of poor areas is still dominated by traditional agriculture, which is low in income per capita and the absorptive capacity of products for international trade and there are not many commodities available for export. Low income and purchasing power, in turn, inhibit the development of the market and a number of residents are still unable to obtain adequate food and clothing, making it impossible for them to have the desire to exchange and to develop the economy. The Kunming-Bangkok Expressway has been opened but the poor areas between Kunming and Bangkok, covering a distance of nearly 1,000 km, need appropriate industries to promote their development, so that the Kunming-Bangkok Expressway can be upgraded from a transportation corridor to an economic corridor.

The lack of full development among the competitive industries of the countries along the line

As mentioned above, the Kunming-Bangkok Expressway is not dominant in the long-distance transport of goods but the flow of people has more advantages than logistics. In other words, the Kunming-Bangkok Expressway has a prominent advantage in the realm of short-distance travel, as its tourism cost is much lower than that of air travel, and it has a wide variety of possible tourist attractions. For example, the border tours of Mohan Port in Yunnan, China and Boten Port in Laos and the Dai-Thai cultural tours from Yunnan to Chiang Khong, Chiang Rai and Northern Thailand, have potential. However, the current highway tourism industry, or “highway + waterway” tourism industry, has not yet been fully developed.

In addition, due to the higher transportation costs of the Kunming-Bangkok Expressway compared with sea transportation, it has the advantages of a short transportation cycle, which requires both ends of Kunming-Bangkok Expressway to develop light industries that can minimize transportation costs. This works as long as they carry products of smaller mass, such as the biopharmaceutical industry that is dominant in Yunnan and light industry dominant in Thailand. However, so far, neither the tourism along Kunming-Bangkok Expressway nor the light industries have been fully developed. That is to say, countries along the Kunming-Bangkok Expressway have failed to develop dominant or pillar industries with strong competitiveness, which is a

major obstacle to the Kunming-Bangkok Expressway upgrading from a transportation corridor to an economic corridor.

Cultural factors restricting the development of the Kunming-Bangkok Channel

The restrictions of cultural factors on the development of the Kunming-Bangkok Channel mainly manifest themselves in two aspects. One is the influence and restriction of different cultural traditions and modes of thinking on economic cooperation between countries. The other is the influence of the different perceptions of communication relations in history between the neighboring countries and China on the Subregional development.

The effects of different understandings of development in different countries on Subregional development

Cultural traditions will strongly affect a nation's thinking and national strategy. China is greatly influenced by Confucian culture in paying attention to worldly affairs, actively seeking development and actively solving problems in development. For example, in order to strengthen cooperation with neighboring countries, China takes the lead in improving their infrastructure, starting with the transportation system. It pays attention to efficiency and actual effects when handling matters.

Thailand is a Buddhist country and Buddhist tradition has a great impact on its thinking and national strategy, which is reflected in the pace of life and decision-making considerations. Buddhist religious activities are an important component of daily life and religion has great influence on life and social development. Many people take their time when meditating and praying to Buddha and are prone to feeling satisfied with their current life. They work at a slower pace and are generally less efficient than the Chinese. It takes a long time to collaborate on projects or make decisions. During our investigations in Thailand, Thais often asked the author why the Chinese are able to make decisions so quickly, such as in the case of the construction of the Kunming-Bangkok Expressway. Thai people need a long time to think about this issue. Not only that, they tend to do more research on the possible negative effects. For example, in discussions

about the upgrading of the highway from Chiang Khong to Bangkok to an express way with an officer at the Thai Ministry of Transport, he answered seriously that it would take a long time to study whether it would have a negative impact on local people's lives. The great difference in thought processes inevitably affects cooperation between China and Thailand and if communication is not smooth, it is apt to lead to misunderstandings.

The likelihood of different perceptions of the relationship between China and neighboring countries as a cause of distrust

Historically, the Chinese have regarded their exchanges with neighboring countries as a good foundation for developing bilateral relations and cooperation. In the past, the countries on the Indochina Peninsula were either part of China and its tributary system or had many cross-border ethnic groups with China. Therefore, the countries are closely related, with frequent exchanges and a mutual understanding that is far greater than that of other regions. These historical foundations contribute to the cooperation between countries. However, some enterprises and investors have a feeling of "great power superiority," which has seriously affected cooperation between China and the other countries in the region.

The GMS countries have had close contact with China throughout history and have been greatly influenced by her. Because of these long relationships, these countries have a complex and contradictory attitude towards China's development. On the one hand, they want China to develop and to get a "free ride" from it, so that they can develop themselves. On the other hand, they are wary of China's advance due to the huge differences in land area, population and the absolute strength of the country, as well as the complex historical relationship. Moreover, these countries comprehend their relations with China in history and China's influence differently. Some countries believe that the history of communication with China is a history of Chinese colonization. Moreover, after the "tributary system" of China and its neighboring countries was demonized, the original trading system became alienated into a colonial system. These issues have also had an impact on cooperation between China and these countries today. For example, the rumor that Chinese immigrants are pouring in often surfaces in countries along the Mekong and politicians in Thailand have spread

the rumor that the construction of hydropower stations upstream in China will have an adverse impact on Thailand, thus reflecting these countries' distrust and encouraging the taking of precautions against China.

Therefore, it is necessary to think about how to allow historical exchanges and relations to develop in order to play an active role in today's cooperation and exchanges.

Recommendations for promoting the development of the kunming-bangkok channel

With regard to cooperation between China and the GMS, domestic academic circles mostly seek ways of promoting Subregional cooperation from the perspective of regional economics. Obviously, the economic development gap and the restrictive factor of economic systems in Subregional economic cooperation are affecting the development of the Kunming-Bangkok Expressway, as well as the overall progress of GMS cooperation. But it is not enough to look for reasons of this kind. Firstly, in 1988, the then-prime minister of Thailand, Chatichai Choonhavan, proposed the idea of regional cooperation not only to promote regional economic development but also to communicate Thailand's political demands to the area, by becoming the GMS leader. On this basis, the Asian Development Bank and relevant countries proposed the GMS cooperation concept and development projects, to include not only economic goals but also political intentions. Secondly, with the completion of the China and ASEAN Free Trade Area (CAFTA), the economic dependence of China and ASEAN countries has been continuously strengthened, though mutual political trust between China and ASEAN countries has not grown stronger with the completion of CAFTA . On the contrary, due to changes in the international patterns of the Asia-Pacific region and the rapid rise of China's economy, there have been various disharmonious problems and mutual political trust between China and these countries has also been declining. Therefore, it makes sense to discuss the restrictive factors for the Kunming-Bangkok Channel and even GMS cooperation from the political and cultural angle. It should be said that there are economic, political and cultural factors restricting progress, and because of the complexity of these restrictive factors, there have been

difficulties in the development of the Kunming-Bangkok Channel and the overall promotion of GMS cooperation.

Nevertheless, Yunnan in China, Northern Laos and Northeastern Thailand are underdeveloped areas which need to develop. Once the door to economic cooperation is open, economic demand will promote the deepening of regional cooperation. For the development of the Kunming-Bangkok Channel, we should search further for complementarity between China and Thailand in terms of trade and investment, reduce logistics costs, improve logistical efficiency and explore resources and economic advantages along the channel, so as to promote economic development along its length. With all this aid, there should be broad prospects for the development of the channel.

In 2013, Chinese President Xi Jinping proposed the “One Belt One Road” initiative. Greater Mekong Subregional cooperation is part of the Maritime Silk Road under the “One Belt One Road” initiative. The Kunming-Bangkok Channel is a part of the China-Indochina Peninsula Economic Corridor proposed under the “One Belt One Road” initiative. Under this initiative, the Chinese and Yunnan governments will pay more attention to improving infrastructure, from roads to customs clearance, and encouraging more enterprises to develop logistical and agricultural processing industries along the route. The following suggestions are therefore proposed from the three angles of logistics infrastructure, coordination of relevant systems and industrial development.

Logistics infrastructure

The road upgrading of the Kunming-Bangkok Expressway must also work to improve the logistical infrastructure, such as through the promotion of road upgrading in Laos and Thailand through financing and loan projects.

In terms of the coordination of traffic regulations, the construction of a comprehensive transportation system utilizing the Kunming-Bangkok Expressway is necessary. This would include the gradual promotion of expressways along the whole line and the implementation of a traffic facilitation agreement to achieve mutual recognition of drivers' licenses, unified traffic signs and signal standardization.

In terms of port infrastructure construction, China should first strengthen the informatization of Mohan Port and vigorously tackle

the construction of an electronic port. Meanwhile, it may provide financial, technical and equipment support for the construction of Boten Port or Chiang Khong Port, based on the needs of Laos and Thailand, to realize the coordinated development of the ports along the Kunming-Bangkok Expressway and improve the efficiency of customs clearance.

In terms of perfecting the logistics infrastructure, Yunnan Province and Thailand should also make great efforts to improve the logistical infrastructure for the Kunming-Bangkok Expressway.

Promoting the coordination of relevant systems

It is necessary to enhance the customs clearance facilitation between the three countries along the Kunming-Bangkok Expressway as soon as possible. To do this a trilateral coordination mechanism must be established based on China-Thailand and China-Laos transportation facilitation agreements and an effort must be made to eliminate the policy barriers on the customs clearance system for transportation. Additionally, communication and collaboration of customs and frontier inspection between various countries should be strengthened and one-stop services for customs and frontier inspection of vehicles and goods should be implemented to speed up customs clearance.

Industrial development for areas along the line

These countries should accelerate the development of multi-level modern commercial circulation in Kunming, Jinghong and Mohan, construct a convenient and efficient modern logistical system with a reasonable layout, speed up the development of the logistics industry, construct a modern logistics center in Kunming for South Asia and Southeast Asia and set up modern logistics sub-centers in Jinghong and Mohan.

In terms of the industrial development of areas along the Kunming-Bangkok Expressway, these should include plateau agriculture, a competitive industry in Yunnan in order to promote development in Yunnan, northern Laos and northeastern Thailand. Furthermore, the resources along the line can contribute to development with options such as coffee, sugar cane, tea and fruit, including the processing of these characteristic agricultural products in order to attract investment and promote development along the line.

These countries can also try to construct corridors for transnational tourism and human communication. The areas along the Kunming-Bangkok Expressway are potential tourist routes, integrating multi-national cultures, ethnic customs, natural landscapes and other features, while the scenic spots are over 100 km apart, which is attractive to tourists. In addition, the the Mohan-Boten cross-border economic cooperation zone from China and Laos should be considered as a pilot and tourism enterprises in Yunnan or China found to establish companies in the cooperation zone and develop more tourist routes along the Kunming-Bangkok Expressway, such as original ecological resorts, forest parks and animal parks, thus attracting tourists. Moreover, more travel conveniences for the self-driving tourists in China and Thailand should be provided to attract more tourists.

Strengthening the cooperation between industrial parks along the line is also important. In areas along the Kunming-Bangkok Expressway there are a number of industrial parks and special economic development zones, such as the Mohan-Boten cross-border economic cooperation zone. The relevant institutions in China and Thailand should study and construct a cooperation mechanism for the industrial parks of the countries along the Kunming-Bangkok Expressway, define the policies available in the countries, promote cooperation between industrial parks and explore the way to common development.

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