AGREEMENT

ON

BORDER TRADE

BETWEEN

THE GOVERNMENT OF THE SOCIALIST REPUBLIC OF VIET NAM

AND

THE GOVERNMENT OF THE KINGDOM OF CAMBODIA

The Government of the Socialist Republic of Viet Nam and the Government of the Kingdom of Cambodia (hereinafter jointly referred to as the "Parties" or individually referred to as "Party");

RECOGNISING the benefits brought about by the Agreement on the Commercial Transaction, Exchange of Goods and Services in the Border Areas between the Government of the Socialist Republic of Viet Nam and the Royal Government of Cambodia signed on 26 November 2001 in Phnom Penh, Cambodia;

PURSUANT to the Trade Agreement between the Government of the Socialist Republic of Viet Nam and the Government of the Kingdom of Cambodia signed on 24 March 1998 in Ha Noi, Viet Nam;

RECOGNISING that the development of border trade between the two countries is one of the key strategies to promote economic and trade relations; to further strengthen the friendly relations between the Parties, to help raise the living standard of the border residents of the two countries and to develop the economy of each Party on the basis of equality and mutual benefits;

HAVE AGREED AS FOLLOWS:

Article 1

Objectives

The objectives of this Agreement are as follows:

- 1. To improve and raise living standards of the border residents of the two countries:
- To strengthen the friendship, comprehensive cooperation and relationship, and sustainable development of the Parties;
- 3. To create long-lasting, stable, and sustainable development linkages for the people of the two countries;
 - 4. To create favourable conditions for traders of the two countries.

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Article 2

Scope and Coverage

This Agreement covers border trade in goods at the border areas and/or exchange of goods at border markets, with border trade and border markets as defined in this Agreement, between the two countries.

Article 3

Definitions

In this Agreement, the following terms shall be construed as follows:

- 1. Border trade means trade in goods carried out in border areas and/or at border markets by traders or border residents of the two countries.
- 2. Border areas in this Agreement means communes or administrative units equivalent to communes, adjacent to the land borderline between the two countries.
- 3. Trader means an entity or individual who operates independently and has duly been registered for business activities in accordance with the relevant laws and regulations of each country.
- 4. Border residents are Vietnamese or Cambodian citizens who have been granted permanent residence registration in the border areas by each Party's competent authority according to the laws and regulations of each country.
- 5. The border market means a venue established in the border areas under laws and regulations of each country to serve the border trade between the Parties.
- 6. Land border checkpoints/gates mean checkpoints/gates defined under laws and regulations of each country (hereinafter referred to as "border checkpoints/gates").

Article 4

Location for Implementing the Trading Activities at the Border Areas

Trade and exchange of goods in the border areas shall be carried out through border checkpoints/gates, officially established by the Parties.

Article 5

Promotion of Border Markets

1. The Parties agree to facilitate the development of border markets and logistics systems at the border areas in order to promote the border trade and supporting services related to trade in goods.

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Traders and border residents of each Party are encouraged to engage in commercial activities at the border markets in accordance with laws and regulations of each country.

Article 6

Goods in Border Trade

- 1. The Parties undertake to strengthen and facilitate trade in goods through official border checkpoints/gates referred to in Article 4.
- 2. The Parties agree that the traded goods in border areas shall not include goods prohibited from export, import or temporarily suspended from export or import as provided for under laws and regulations of each country.
- 3. The list of the goods prohibited or temporarily suspended from export and import shall be applied according to the laws and regulations of each Party and relevant bilateral agreements between the Parties and international agreements to which both Parties are party.
- 4. For the import and export of goods carried out by border traders and managed by quotas, licenses and other forms of management, such as duties, laws and regulations of each country shall apply.
- 5. The Parties shall encourage and create favourable conditions for border residents to buy, sell and exchange necessary goods for production and daily lives.
- Goods originated in one Party and exported to the other Party may be exempted from import duty and taxes according to laws and regulations of each country.

Article 7

Payment for Border Trade

- 1. Payment for border trade can be made in freely convertible foreign currencies or Vietnamese Dong or Cambodian Riel pursuant to provisions specified herein and laws and regulations of each country.
 - Payment methods for border trade are:
 - a) Payment through authorized banks of each country;
 - Payment in cash in accordance with laws and regulations of each country;
 - c) Payment by mode of barter.
 - 3. Payment through banks is encouraged for border trade.

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- 4. In accordance with laws and regulations of each country, the Parties agreed to encourage establishment of the commercial banks' branches or transaction offices in the border areas to promote and facilitate border trade payments.
- 5. The amount of cash that can be brought into or taken out of each country without customs declaration shall comply with laws and regulations of each country. With a view to further facilitating border trade between the two countries, the Parties agreed to urge the Central Banks of the Parties to continue to work towards optimization of the amount of cash that can be brought into or taken out of each country without customs declaration.
- 6. The amount of cash that can be brought into or taken out of each country without customs declaration shall be published in the Government Gazette or Government Information Portal and shall be posted at the offices of all border checkpoints/gates.

Article 8

Border Trade Supporting Services

The Parties agree to promote border trade supporting services, including, but not limited to, warehousing, forwarding, transportation, processing, preservation of goods, banking and financial services, in accordance with laws and regulations of each country.

Article 9

Facilitation of Border Crossing

- 1. The Parties agree to facilitate the entry/exit through border checkpoints/gates of traders and border residents, persons authorized by goods owners, vehicles, transport operators, drivers and servants on vehicles; provided that the documents required, including driver's license, shall be in compliance with laws and regulations of each country.
- 2. The Parties agree to facilitate the entry/exit of means of transport to reach discharged/loaded venues in the border areas in accordance with laws and regulations of each country.

Article 10

Control of Goods through Border Checkpoints/Gates

1. The Parties agree to apply technical and quarantine measures for goods being transported through border checkpoints/gates in order to meet the requirements regarding the application of food hygiene and safety measures and sanitary or phytosanitary measures; protecting human health and safety; protecting

animal and plant, ecological environment, biodiversity; preventing and fighting contagious diseases.

- 2. The Parties agree to encourage their competent authorities to work together towards more favourable technical SPS and quarantine measures for small transactions between border residents of the Parties.
- Goods crossing border checkpoints/gates between the Parties shall be subject to border-crossing procedures according to laws and regulations of each country.

Article 11

Trade Promotion

The Parties agree to facilitate the trade promotion activities carried out by relevant authorities, organizations and associations of each Party, including in the border areas of the other Party. All traders, border residents and individuals are encouraged to participate in these activities.

Article 12

Prevention and Suppression of Smuggling and Frauds

The Parties commit to closely cooperate in preventing, combating and suppressing smuggling and trade frauds; including but not limited to cross-border trade frauds, illegal trafficking of tobacco, timber, processed timber, wildlife, drugs, chemical precursor, weapons and explosive and counterfeiting products. For the effective cooperation, the Parties urge border agencies to enhance information exchange.

Article 13

Information Exchanges

The Parties agree to provide each other, upon request, with updated information on laws and regulations related to trade, including regulations on border entry/exit procedures; import and export procedures; list of goods banned from export/import or temporarily suspended from export/import; duties, fees and charges and others.

Article 14

Roles of Provincial Authorities in Border Trade

1. Within their scope of functions and responsibilities provided for under laws and regulations of each country, provincial authorities at the border areas may agree on appropriate measures to enhance and facilitate border trade.

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2. The Parties encourage their provincial authorities at the border areas to enter into "Sister Cities" relationship with a view to enhancing border trade and relations between their respective people.

Article 15

Implementation Arrangement

- 1. The Parties agree to assign the Ministry of Industry and Trade of the Socialist Republic of Viet Nam and the Ministry of Commerce of the Kingdom of Cambodia as the focal points for coordinating with other relevant ministries, agencies and provincial authorities in order to implement this Agreement.
- 2. After the date of entry into force of this Agreement, relevant ministries, agencies and provincial authorities of each Party shall undertake the responsibilities to implement this Agreement.

Article 16

Dispute Settlement

- Any differences or disputes between the Parties arising from the interpretation or application of this Agreement shall be settled through consultation or negotiation.
- 2. Any request for consultation or negotiation shall be made in writing and sent through the focal points specified in paragraph 1 of Article 15 of this Agreement and via diplomatic channel.
- 3. When a Party requests consultation or negotiation under paragraph 1 of this Article, the other Party shall respond within 30 (thirty) calendar days including weekends and holidays of the date of receipt of the request and shall enter into consultation or negotiation within a reasonable period of time not exceeding 90 (ninety) calendar days from the date of receipt of the request with a view to achieving a timely and appropriate solution for each Party.

Article 17

Revisions and Amendments

Either Party may request in writing, through diplomatic channel, for the revision of one certain part or the whole text of the Agreement. The other Party shall reply within 03 (three) months since the receipt of such request. Any revisions or amendments, mutually agreed on by the Parties, shall form an integral part of the Agreement and shall enter into force after 45 (forty-five) days of receipt of the final written notification, through diplomatic channel, on the completion of internal procedures of the Parties.

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Article 18

Validity of the Agreement

- 1. This Agreement shall be subject to the completion of internal procedures in accordance with laws and regulations of each country. This Agreement shall enter into force 30 (thirty) calendar days including weekends and holidays after the date of receipt of the final written notification on the completion of internal procedures through diplomatic channel and shall be effective for 03 (three) years. The Agreement shall be automatically renewed for every 01 (one) year if neither Party notifies the other Party in writing via diplomatic channel the intention of terminating the validity of the Agreement, within 03 (three) months prior to the expiration date of Agreement.
- 2. The termination of this Agreement shall not affect the implementation of ongoing activities or programmes which have been agreed upon by the Parties prior to the date of the termination of this Agreement and shall be implemented until the end of planned activities and programs, unless the Parties agree otherwise.
- 3. Upon the date of entry into force of this Agreement, the Agreement on the Commercial Transaction, Exchange of Goods and Services in the Border Areas between the Government of the Socialist Republic of Viet Nam and the Royal Government of Cambodia signed on 26 November 2001 shall be terminated.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

DONE at ... Phoom. Psala....... on. November. ... 2022, in duplicate in the Vietnamese, Khmer and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

FOR THE GOVERNMENT OF SOCIALIST REPUBLIC OF VIET NAM

FOR THE GOVERNMENT OF THE KINGDOM OF CAMBODIA

NGUYEN HONG DIEN
MINISTER OF INDUSTRY AND TRADE

PAN SORASAK
MINISTER OF COMMERCE

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