

## **Report of the 5<sup>th</sup> round of negotiations on a Free Trade Agreement between the European Union and Thailand**

31 March to 4 April 2025, Brussels

The 5<sup>th</sup> round of negotiations on an EU-Thailand Free Trade Agreement took place in the week of 31 March 2025 in Brussels. This round built upon the positive dynamics of the previous round (November 2024), with constructive discussions on the full range of areas under the scope of the future agreement. The respective negotiating teams were led by Mr Christophe Kiener (Directorate General for Trade and Economic Security of the European Commission) and Ms Chotima Iemsawasdikul (Ministry of Commerce of Thailand).

Negotiating teams continued to engage in text-based work across all chapters, making progress in terms of consolidation of texts. The chapters on Customs and Trade Facilitation and on Sustainable Food Systems were closed in principle, and some important sections of the Trade in Services chapter were also provisionally agreed. Significant progress was also achieved in the texts on Technical Barriers to Trade, State-Owned Enterprises, Capital movements, Competition. Good progress continued on Trade and Sustainable Development, and consolidation advanced also in areas which are newer to Thailand's FTA practice, such as Subsidies, Energy and Raw Materials, and the Government Procurement text.

Constructive initial discussions also took place on tariff liberalisation for trade in goods, and on preparations for a future first exchange of market access offers for services and investment and for government procurement.

The 6<sup>th</sup> round is preliminary planned for the week of 23 June 2025 in Thailand.

### **Details per negotiating area**

#### **Trade in Goods**

The negotiating group discussed all open issues in the text. Provisional agreement was reached on the provisions concerning fees and charges and import and export restrictions. In-depth discussions took place on other open articles, including with respect to export duties, import and export monopolies, remanufactured goods and origin marking.

Constructive technical discussions also took place on the initial tariff offers.

#### **Rules of origin**

The negotiating group engaged in further discussions on the Rules of Origin Chapter, making very good progress on several articles and key principles, including verification and statement on origin. They also continued discussing the product-specific rules, focusing on minerals, fishery products, textiles, agriculture and processed agricultural products (PAPs) as well as some chemicals, rubber and precious stones and metals, reaching agreement on several headings. Discussions contributed to further clarify the proposed rules for other HS chapters.

#### **Customs and Trade Facilitation (CTF)**

The negotiating group discussed all remaining open issues and reached agreement in principle on the chapter.

#### **Trade Remedies**

The negotiating group continued to engage in constructive discussions. The few outstanding issues, mainly in the bilateral safeguard section, such as the transition period, the outermost regions clause and the agricultural safeguard clause will require further discussion.

## **Specific measures concerning the management of preferential treatment and Mutual Administrative Assistance (MAA)**

The negotiating teams continued to engage in text-based work, making progress on some of the remaining open issues in the MAA Protocol, notably on the definitions, and discussing possible alternative options for the provisions on Specific Measures Concerning the Management of Preferential Treatment.

## **Technical Barriers to Trade (TBT)**

The negotiating group made substantial progress and reached agreement on most of the chapter, and on the annex on the List of International Standardization Organizations. Discussions will continue in the next round on issues related to conformity assessment and to the annex on motor vehicles.

## **Sanitary and Phyto-sanitary (SPS) matters**

The negotiating group continued to engage in text-based discussions, reaching agreement on provisions concerning relations to the WTO SPS Agreement, and some progress on issues related to implementation and resources and to the institutional set-up. Detailed discussions took place on provisions related to trade facilitation, and procedures for listing of establishments, aimed at clarifying the understanding on the respective domestic procedures for listing of establishments.

## **Services and investment**

The negotiating group continued to make good progress. Three sections were agreed (Cross Border Trade in Services; Movement of Natural Persons and Provisions of General Application). This comes on top of the sections on Domestic Regulation and Maritime Transport Services, which were provisionally closed in previous rounds. Significant text consolidation was achieved on general provisions and telecommunications.

On investment, differences remain between each side's approach, including with regard to performance requirements. On Capital Movements and Financial Services, good discussions continued on the open provisions, with no major divergence identified on the remaining outstanding issues.

As regards market access, discussions took place on the preparations for a future exchange of initial offers.

## **Government Procurement (GP)**

The negotiating group made good progress in the consolidation of the text, including provisions on non-discrimination, offsets, notices and qualification of suppliers. The round also provided the opportunity to exchange further information and clarifications on relevant domestic measures.

Technical discussions continued on the approach for the preparation of government procurement offers.

## **Intellectual Property (IP)**

The negotiating group continued to make progress in consolidating the text, notably on copyright and on civil and border enforcement of intellectual property rights. The negotiating group also engaged for the first time in textual discussions on trade secrets and on patents. Both sides continued to work on preparing possible bridging proposals for open issues, to be further discussed intersessionally.

The negotiating group discussed their respective Geographical Indications (GIs) to be protected in the context of the Agreement and the related procedures.

## **Competition and subsidies**

The negotiating group made very good progress, focusing on possible ways to close the remaining open issues related to exemptions in the section on anticompetitive conduct and merger control, and continuing to advance on consolidation of the section on subsidies.

## **State-owned enterprises (SOEs)**

The negotiating group made very good progress, cleaning most of the provisions in the chapter, including with respect to the text related to public services. Discussions also allowed to better identify the gaps that remain to be bridged, notably with respect to the scope and thresholds for the entities to be covered.

## **Energy and Raw Materials (ERM)**

The negotiating group made substantial progress in finding possible solutions to open issues, including with respect to objectives and principles, authorisations, environmental impact assessments, offshore risk and safety and cooperation. In-depth further discussions will be needed on provisions related to pricing and to energy transport infrastructure.

## **Digital Trade**

The negotiating group continued to make very good progress on the text, further agreeing language in a number of articles, including on no prior authorisation, unsolicited direct marketing communications, electronic invoicing and cooperation on regulatory issues. Discussions continued on language proposals for provisions related to source code and cross-border data flows. Further discussions will be needed in areas where the two sides have different perspectives, such as on the scope of the chapter and on customs duties on electronic transmissions.

## **Trade and Sustainable Development (TSD)**

The negotiating group continued to make good progress in consolidating the text related to the remaining open provisions, notably with respect to language related to the implementation of some multilateral environmental agreements and gender conventions, as well as on the articles on trade and responsible business conduct, trade and biological diversity, trade and forests, scientific and technical information. Both sides agreed to conduct internal consultations on pending issues, and to continue to work intersessionally.

## **Sustainable Food Systems (SFS)**

The negotiating group discussed all remaining open issues and reached agreement in principle on the chapter.

## **Dispute Settlement**

The negotiating group continued to have constructive discussions, making substantive progress towards finalisation of the provisions on mediation and on rules of procedure. In-depth exchanges allowed for a better understanding of the respective positions on the provisions concerning procedures related to TSD, temporary remedies in case of non-compliance and transparency, on which further discussions will take place intersessionally.

## **Initial Provisions and General Definitions, Institutional Provisions, Final Provisions and Exceptions**

The negotiating group held a first discussion on the institutional and initial provisions and definitions, clarifying respective practices and objectives. Both sides engaged on the other sets of provisions. On the Exceptions chapter, issues related to security exceptions and to tax exceptions remain open and will be further discussed intersessionally. On Final provisions, discussions focused on territorial application, private rights, and fulfilment of obligations, allowing to advance toward bridging the remaining gaps.