

3 December 2019

Mrs. Auramon Supthaweethum
Director-General
Department of Trade Negotiations
Ministry of Commerce
563 Nonthaburi 1 Rd., Amphur Muang,
Nonthaburi 1100
Bangkok

Dear Mrs Auramon

EU – Thailand FTA; EFTA – Thailand FTA

EABC is grateful to your Department for holding the information and engagement session on 1 November 2019. We understand that this was for the sixth stakeholder group in the Department’s consultations and we are pleased to have been included.

EABC is the voice of European Business in Thailand and acts as a ‘Eurocham Thailand’. EABC’s scope is to cover the EEA – European Economic Area, which essentially includes EU member states and EFTA member states.

You have requested our recommendations at this stage of what should be included in the FTAs under discussion. We felt that the best way to cover this was to provide a copy of the 2019-2020 European Business Position Paper, and our ‘EABC Top Set’ (which shows just over ten major issues) along with this covering letter which highlights certain points. The Position Paper was launched on 29 November and includes relevant details. We were delighted that Kanitha Kungsawanich, Director, Bureau of European Affairs was able to attend the launch event. This letter at this stage does not preclude further expression of interest from European business in Thailand.

We offer the following key points:

1. Elimination of trade barriers in goods, services and government procurement. Non Tariff Barriers (NTBs), Non Tariff Measures (NTMs) are relevant. Customs reform and further trade facilitation can be seen in the Transport and Logistics chapter (p.159).
2. Service sector liberalization including review of Lists 1 and 2 and exemption for the EU for List 3 of the Foreign Business Act. EABC has made a detailed submission to MOC dated 29 June 2018 and held a conference on Foreign Investment and the FBA in February 2019.



The June 2018 submission is sent with this letter.¹ . The layers of restriction (see chart on p.53 of the Position Paper) are barriers to market access.

3. An open and transparent government procurement system, which would benefit users and taxpayers.
4. Structural reforms (often deep) to achieve the major vision and goal of Thailand 4.0 in a reasonable time. These are covered in the Cross Sectorial Issues chapter of the Position Paper, at pages 55-56 and in the Digital Economy / ICT chapter at B 1 (a) pp. 69-72.
5. Ease of doing business beyond the World Bank's existing criteria, with new ways of quality law making, digital government and heightened Respect for the Rule of Law. These can become market access issues. The Work Permit and Visa issues (pp 57-62) are the most talked-about issue in the foreign business community. Strengthening regard for Rule of Law (pp.54-55) is a trade issue. These issues together can become and are trade barriers.
6. Technical standards support trade and investment. Thus in various areas common approaches are needed. Use of a competency framework in IT and Digital Skills is recommended.
7. Intellectual Property Rights enforcement needs attention – p. 132 of the Position Paper
8. IPA – we are interested to learn of development of an IPA which ensures fair & equitable treatment to investors, to accord national status.
9. We raised at the 1 November consultation the issue of dispute resolution and asked about Thailand's membership status in ICSID.

We recommend that an EU-Thailand FTA should be a meaningful differentiator. The opportunity to make deep and material changes should be taken. National treatment should be a common aspect. The FTA should not be just the most recent reflection of across-the-board freed-up trade.

Please do be in touch with us should any additional information be needed.

Yours Sincerely,

A handwritten signature in blue ink, appearing to be 'Jan Eriksson'.

Jan Eriksson
President

¹ The four material groups of change to List 3 to date are largely all liberalization net-neutral (due to sector-specific legislation) or are for intra-group use. These are described in the Cross Sectorial Issues chapter of the Position Paper, at pages 52-54