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| **Thailand’s Bogor Goals Progress Report (as at 30 September 2016)**[[1]](#footnote-1)\* | |
|  | **Highlights of Achievements and Areas for Improvement** |

* Simple average MFN applied tariffs stood at 11.2% in 2014. Agricultural products still have relatively higher tariffs than non-agricultural products especially.
* Tariff-rate quotas still apply to a number of agricultural products.
* Import prohibitions and licensing requirement remained in place on certain goods. Neither import/export levies nor export subsidies are in place.
* Some foreign ownership restrictions remain in the transport sector.
* A multi-year investment promotion package was introduced which consists a wide range of tax credits, activity- and merit-based incentives.
* Efforts in aligning domestic standards to international standards. Active participation in several Mutual Recognition Arrangements.
* A new phase of the National Single Window has introduced more features to speed up the customs procedures.
* Revised legislation on competition policy is expected to enter into force this year.
* New bidding systems were introduced in government procurement process to enhance transparency.
* Revised legislation ensures that most laws and regulations are reviewed every five years.

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|  | **Summary of Topics** |

**Tariffs**

According to its 2016 Individual Action Plan, Thailand reported simple average MFN tariff of 11.2% in 2014. Average MFN applied duties have been lowered compared to last year for products such as fruit & vegetables, fish, petroleum, wood & paper and leather & footwear.

While around 23.3% of non-agricultural tariff lines were duty free in 2014, only 4.4% of the agricultural tariff lines were duty free. Agricultural products still face considerably higher tariffs with more than half of the MFN applied tariff lines lie within the 25-50% range in 2014. Products with notably high tariffs include beverages, spirits, tobacco, coffee and tea, and dairy products. Among non-agricultural products, transport equipment and clothing reported a relatively higher average tariff than others.

Thailand has expanded its preferential trading commitments to its trading partners at both regional and bilateral levels through the utilization of RTA/FTAs. For instance it granted tariff-free access to goods originating in ASEAN trading partners, except for 13 of them considered sensitive.

**Non-Tariff Measures**

In 2014, tariff-rate quotas (TRQ) were applied to 23 agricultural products, representing 1.2% of all tariff lines.

In general, import prohibitions are imposed on goods that endanger public morals, domestic security, human or animal life, health and intellectual property. Some examples of import prohibitions cover goods such as electronic cigarettes, CFC refrigerators, used car bodies, used tires, slot machines, among others.

Thailand has reported no import or export levies nor export subsidies in place, but export taxes are applied to specific products such as hides of bovine animals and certain wood-related products. New import licensing requirement for automotive tires came into force since March 2013 with additional prerequisite to obtain a Certificate of Competent Authority (COCA) issued by the government of exporting side.

**Services**

The Ministry of Information and Communication Technology has introduced several bills, aiming to transform Thailand as a digital economy. Proposed features in the bills include updating existing regulations to capture the pace of technological change; encouraging development of public e-services; and boosting the use of technology among businesses.

In air transport, a maximum of 70% of foreign equity participation on domestic air transportation is allowed. As of May 2014, Thailand maintains 99 bilateral air services agreements with other economies. Several FDI restrictions still apply in the shipping industry on foreign firms who wish to provide domestic shipping services. In land transport, Thailand has engaged with several neighboring economies, like Malaysia, Laos and Cambodia, signing bilateral agreements facilitating land crossings on goods and passengers.

Under Tourism Business and Tour Guides Act B.E. 2550(2007), restrictions on foreign participation in tourism sector, such as ownership ceilings on hotel operators, travel agencies and tour operators, remains in place.

**Investment**

The Thailand Board of Investment introduced the “New Seven Year Investment Strategy”, effective from 2015 through 2021. The package includes a mix of activity-based incentives and merit-based incentives and non-tax incentives and it removes the zoning criteria for promoted companies. In order to attract foreign companies to set up headquarters in Thailand, the government also offered qualified companies with incentives, such as the reduction of corporate income tax and personal income tax, exemption of import duty on machinery and raw materials, permission to own land, permission to bring in skilled personnel and experts, and tec. The interest is to promote investment in special economic development zones in ten provinces and cluster industry. Nevertheless, the Foreign Business Act still imposes ownership ceilings on foreign investment in many services sectors.

In terms of investment facilitation, the government has been expanding the services offered at the One Start One Stop Services centers such as the application of licenses and permits in charge of 33 agencies.

As of 2015, Thailand has 55 international investment agreements in force.

**Standards and Conformance**

According to its 2016 Individual Action Plan, the total number of aligned industrial standards with international standards is currently 1,083. For agricultural products, 250 standards have been established, with almost all of them are aligned with international standards.

Thailand maintains a number of Mutual Recognition Agreements (MRAs), such as a bilateral MRA on automotive products; and APEC MRAs on Conformity Assessment on electric and electronic equipment; and food products. Thailand is also active at both international and regional level at the International Organization for Standardization (ISO); ASEAN Consultative Committee for Standards and Quality; Pacific Accreditation Cooperation; Quality Management System; and Product Certification Bodies Accreditation, among others.

In 2014 and 2015, Thailand made 45 notifications under the WTO Agreement on Technical Barriers to Trade (TBT). Currently, nine and three specific trade concerns (STCs) against Thailand remain unresolved at the WTO TBT and Sanitary and Phytosanitary (SPS) Committees respectively. The most recent STCs are related to labels of alcoholic beverages and industrial standard for ceramic tiles.

**Customs Procedures**

Thailand has implemented the Phase III of the National Single Window (NSW) since 2013 and

32 government agencies are already part of it. The NSW allows for electronic payment transactions. Thailand also participates in the ASEAN Single Window Pilot project and its Customs Automation System already enabled electronic exchange of document with ASEAN members.

In 2015, Thailand became a contracting party to the Revised Kyoto Convention on simplification and harmonization of customs procedures.

Amendments to the Customs Act in 2014 enabled Thai Customs to have advance rulings on tariff classification based on requests from importers. Advanced Rulings on Customs Valuation became effective in March 2015. However, the Electronic Valuation ruling system was suspended in March 2015 due to concerns about the authenticity of documents submitted electronically.

**Intellectual Property Rights**

As agreed by ASEAN members under the ASEAN Economic Community Blueprint, member economies are expected to join the Protocol relating to the Madrid Agreement Concerning the International Registration of Marks by the end of 2015. As of February 2016, Thailand has not acceded to the Madrid Agreement and the Madrid Protocol yet, as it has been preparing to meet the relevant requirements.

**Competition Policy**

In February 2016, the Cabinet approved the draft amendments of the Trade Competition Act and is expected to be in force this year. The amendments include provisions to better reflect penalties for unfair practices; and redefine what market domination means. They also include provisions on state-owned enterprises that compete with the private sector in order to ensure fair competition.

**Government Procurement**

Thailand has been an observer to the WTO Government Procurement Committee since June 2015.

Two new electronic government procurement systems were launched in 2015: e-bidding and e-markets. With electronic systems, the transparency is enhanced due to the fact that the public has access to all information in every step of each process. In order to fight against corruption, the government has been working on a new public procurement law, which is expected to enter into force in 2016.

**Deregulation/Regulatory Review**

Thailand issued the Royal Decree on the Revision of Law in 2015, which specifies that each ministry needs to assess the laws and regulations under its purview and review them every five years to evaluate the need for amendment or elimination.

**Mobility of Business People**

Non-Immigrant “B” (business) Visa holders can make the notification of staying in Thailand over 90 days online. As of October 2015, Thailand had issued more than 11,004 APEC Business Travel Cards (ABTCs), a 53% increase since December 2013. Since September 2015, Thailand started to issue 5-year ABTCs to eligible business people. Additionally, the Joint Standing Committee on Commerce, Industry, and Banking (JSCCIB), together with the Department of Consular Affairs, Ministry of Foreign Affairs, has been developing an online ABTCs application system which is expected to be operational within 2016.

**RTA/FTAs**

Thailand has 12 RTA/FTAs in place[[2]](#footnote-2) and five more under negotiations on new RTA/FTAs, namely the Regional Comprehensive Economic Partnership, ASEAN-Hong Kong Free Trade Agreement (AHKFTA) and bilateral FTAs with the European Union, the European Free Trade Association, and Pakistan.

1. \* This brief report was prepared with information from the Thailand’s submission of the 2016 APEC Individual Action Plan (IAP) template; the WTO 2015 World Tariff Profiles; the 2016 WTO Trade Policy Review - Report by the Secretariat – Thailand; the WTO TBT and SPS Information Systems; the UNCTAD Investment Policy Hub; the Comptroller General’s Department website; the Government Gazette; the Revenue Department; the Board of Investment; and the Department of Civil Aviation. [↑](#footnote-ref-1)
2. Thailand’s RTA/FTAs in force are following ones: ASEAN (1992), Thailand-India (2004), Thailand-Australia (2005), ASEAN-China (2005), Thailand-New Zealand (2005), ASEAN-Korea (2007), Thailand-Japan (2007), ASEAN-Japan (2009), ASEAN-Australia-New Zealand (2010), ASEAN-India (2010), Thailand-Peru (2011) and Thailand-Chile (2015). RTA/FTAs under the process of ratification are: Thailand-Bahrain and Thailand-BIMSTEC. [↑](#footnote-ref-2)