

**Trade Policy Review of Thailand
(First Session on 24 November 2020)**

Statement of Hong Kong, China (HKC)

- Thank you, Chair. I would like to extend a warm welcome to Thailand's delegation led by Mr Piyapramote. I would also like to thank the discussant, Ambassador Silvia Elena ALFARO ESPINOSA of Peru for sharing with us her insights, and the Secretariat for their comprehensive report.
- HKC and Thailand have long been enjoying fruitful bilateral trade and economic relations. We always treasure Thailand as a valuable trading partner and the development of two-way trade between us has been encouraging. In 2019, Thailand was HKC's 10th largest trading partner in merchandise trade, and Thailand ranked the 4th among the ten ASEAN Member States in terms of trade in goods with HKC. In services trade, Thailand was our 10th largest trading partner in 2018.
- Since the entry into force of the ASEAN-HKC Free Trade Agreement and the related Investment Agreement in June 2019, HKC has been working closely with Thailand and other ASEAN Member States to ensure smooth implementation of the two Agreements. We look forward to further strengthening our economic ties with Thailand by facilitating flow of goods, services and investment under the two Agreements.
- Now I would like to turn to our observations on some specific areas in Thailand's trade policies.
- We appreciate Thailand's active engagement in the WTO work and good record of notifications to the WTO.
- On trade facilitation, we commend Thailand's continued efforts in simplifying and modernising its customs procedures in response to a rapidly changing economic and technological environment to facilitate trade. Thailand has adopted a new Customs Act in November 2017 to modernise its customs laws, and introduced several action plans to improve customs processes that allow for electronic submission of customs registrations, declarations and documents.

- Thailand has maintained an Authorized Economic Operator Programme, and has signed Mutual Recognition Arrangements on this Programme with other Members, including one with HKC since June 2015. We are pleased to note that Thailand has implemented more than 97% of its commitments and has fulfilled its obligations in submitting transparency notifications required under the Agreement on Trade Facilitation.
- On tariffs, while Thailand has lowered the applied MFN tariffs on agricultural products from 34.7% in 2014 to 32.7% in 2020, it is still substantially higher than that of non-agricultural products at 11.8%. Thailand also applies import surcharges on certain agricultural products (such as soya bean cake and maize for feedstuff). The agricultural sector continues to be relatively protected and we would encourage Thailand to further liberalise its agricultural sector by reviewing its existing market access measures.
- We are glad to note that Thailand has submitted updated notifications on export subsidies and market access, and that it did not provide any export subsidies during the review period. Thailand did not invoke any special safeguard even though it has reserved the right to do so for 55 tariff line items. Nevertheless, Thailand's last notification on domestic support to the WTO covers only up to calendar year 2016. We would encourage Thailand to submit the outstanding notifications on domestic support to facilitate a more up-to-date and effective review on its implementation of commitments by Members.
- Services continue to be the main contributor of Thailand's economy and account for a significant share of Thailand's GDP and employment. We appreciate Thailand's effort in reducing market entry restrictions and equity limitations for various sectors during the review period, and would encourage Thailand to consider further liberalising its trade regime so as to tie in with its national policies and development plans to attract foreign investments and strengthen international cooperation.

- Chair, HKC looks forward to further fostering the bilateral trade and economic relations with Thailand. We thank Thailand for its replies to part of our written questions and would look forward to receiving replies to the remaining questions. I wish Thailand a successful trade policy review.
- Thank you very much.

Hong Kong Economic and Trade Office in Geneva
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