

Commerce Ministry Expands National Trade Repository

The Department of Trade Negotiations, Ministry of Commerce, organized a seminar on the “Thailand National Trade Repository” on 3 April 2018 at Eastin Grand Hotel Sathorn, Bangkok. The purpose of the seminar was to promote the expansion of the Thailand National Trade Repository (www.ThailandNTR.com) which now covers regulations on trade in services and e-Commerce.

The National Trade Repository is an informative database containing regulatory information such as Harmonized System codes for goods and documents required when importing a product. Every ASEAN member country is required to contribute to this database, which has increased transparency and reduced the time it takes to search for relevant laws and regulations when conducting cross-border trade. The Department of Trade Negotiations established the Thailand National Trade Repository (Thailand NTR) in November 2014. The Thailand NTR is used as a channel for disseminating information on trade regulations, general import tariffs, preferential tariffs, rules of origin, non-tariff measures, procedures and documents required for importation, among others. Due to the fact that the website has received a positive response from users, the Department has therefore developed and extended the National Trade Repository to cover laws and regulations on trade in services and e-Commerce, such as the WTO services sectoral classification list, agreements

According to Mrs. Auramon Supthaweethum, Director-General of the Department of Trade Negotiations, the Department has cooperated with 66 government agencies under 17 ministries which have helped by submitting over 1,600 documents of laws, rules, and regulations related to trade in

goods, trade in services, and e-Commerce. This working is in line with government policy that supports the use of big data across government agencies. This will help offer greater convenience to investors, particularly those in SMEs.

China Retaliates against US Tariff on Aluminum and Steel

On 3 April, 2018, China made a formal notification to the World Trade Organization (WTO) that it was imposing retaliatory tariff increases of up to 25 percent on 128 US products. This action is a direct response to the US’s imposition of 10 and 25 percent tariffs on aluminum and steel respectively, which were announced on 8 March 2018 and came into effect 15 days later.

On the same day, United States President Trump announced planed to impose tariffs on imported Chinese goods worth approximately 50 billion US dollars. The tension then escalated further on 4 March when China announced additional retaliatory measures in the form of tariffs on soybeans, airplanes, automobiles, beef and chemicals, among other things. It should be noted that these actions – President Trump’s China tariff plan and the Chinese response – are not yet put into effect. If an effective date is announced later on, it would clearly signify a growing tension between the world’s two largest economies.

In a backstory, President Trump has long been calling for the US to take a tougher stance on China. He is also not impressed by the World Trade Organization’s dispute settlement method. This effectively rules out the option of impartial third party arbitration which could ease the tension.

The next action to be taken from both parties remains to be seen. However, the global reactions to these escalations have been worrisome.

With regard to Thailand, the impact from this uncertain situation is currently limited to the loss of general confidence and greater uncertainty, as can be clearly observed from the stock market, which has now erased the gains it had previously made from the beginning of 2018.

Thailand-Myanmar to Open Second Friendship Bridge in May

The Thailand-Myanmar Friendship Bridge 2 is expected to open in May 2018 to facilitate the cross-border transport of goods over the Moei River between Mae Sot, Tak Province on the Thai side, and Myawaddy, Kayin State in Myanmar.

According to Myanmar's Deputy Minister for Construction, U Kyaw Lin, the bridge is aimed at facilitating traffic and promoting transport and trade among the six member countries of the Greater Mekong Sub-Region (GMS) - Cambodia, Laos, Myanmar, Thailand, Vietnam, and China. Built under the Cross-Border Transport Agreement (CBTA) that Thailand and Myanmar signed in 1992 along with four other countries, the bridge will allow people and goods from Myanmar to enter Thailand and vehicles, people and goods from Thailand to enter Myanmar as well.

The First Friendship Bridge was inaugurated in August 1997, but it is only designed for small and medium-sized vehicles. The Second Friendship Bridge will be able to accommodate larger vehicles of up to 60 tons. Apart from the construction of the bridge itself, border control facilities are also being built at the Thai and Myanmar sides of the border.

It is expected that the bridge will help connect the two countries physically, and in turn, increase the flow of people from both sides. In addition, the bridge will also facilitate trade and investment, as well as enhancing the government's

policy of developing Special Economic Zones (SEZs) along border areas between Thailand and neighboring countries.

Stay informed with latest development in trade negotiations and changes in trade laws/regulations. Get an insight of how the latest news will affect your market and regulatory environment from our “Trade Digest”.

If you have any comments or questions regarding Trade Digest or any matters discussed herein, or if you are interested in finding out more about Bolliger & Company (Thailand) services, please contact any of the persons below:

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