



## Additional Goods Not Permitted for Transit

On 11 February 2016, the Ministry of Commerce issued a new notification regarding goods to be added to the list of those not permitted for transit through the Kingdom. The notification came into force on 12 February 2016. These additional goods have been banned from transit through Thailand because the Ministry of Public Health finds they pose a potential risk to the moral values of the Thai people and stability of the country.

The added goods include the following:

1. Goods with fake or changed trademarks (according to product type).
2. Sound recording cassettes (music tapes), sound recording discs (compact disks), video recording cassettes (VDO tapes), computer programmes, books or other goods which have been duplicated from another author and amended.
3. Shisha pipes, electric shisha pipes or electric cigarettes (HS 9614.00.90, 2403.11.00, 8543.70.90).
4. Game machines as a complete unit or with the characteristics of a complete unit with some parts missing (HS 9504.30.10, 9504.30.20, 9504.30.90, 9504.90.31, 9504.90.92, 9504.90.93, 9504.90.39), specifically covering slot machines and casino tables of all types.
5. Elephants.
6. Graven images, parts of a graven image, Buddha images and parts of a Buddha image.
7. Foreign archaeological artefacts.
8. Caffeine (HS 2939.30.00, 3003.40.00).

The transit prohibition on game machines and shisha pipes is also in line with the Department of Foreign Trade restriction on imports for these goods. Prohibited from importation are slot machines, horse racing arcade games, pachinko, roulette machines or other game machines which operate by inserting money with the promise that if the player wins, the game money will be given out. Also, shisha pipes, electronic shisha pipes and electronic cigarettes cannot be imported into the Kingdom to protect Thai society from using these products due to the potential for harm to their health or morals. However, the other goods listed in this notification are not restricted from importation.

## Thailand's Role in Supporting CLMV countries and Other Updates from the 22<sup>nd</sup> ASEAN Economic Ministers Retreat

The CLMV group of countries, which includes Cambodia, Laos, Myanmar and Vietnam, has lately been receiving more and more attention as an attractive investment destination due to the member nations' abundant natural resources, low labor cost and invulnerability from the global economic downturn. That being said, investors have also remained a degree of uncertainty due to the poor government assistance in business setup facilitation, as reflected in the World Bank's Doing Business annual report, as well as the underdeveloped infrastructure and inadequate foreign direct investment (FDI) promotion. For this matter, during the 22<sup>nd</sup> ASEAN Economic Ministers Retreat (AEM Retreat), which was held during 2-3 March 2016 in Chiangmai, Thailand, the participating Ministers agreed to push the CLMV countries as a key economic driver of the region.

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Thailand and Malaysia, in particular, have been requested to be the main supporters to help CLMV countries promote their domestic investment opportunity. In light of this announcement, Mrs. Apiradi Tantraporn, Thailand's Minister of Commerce, has confirmed the establishment of the first CLMV-MT Forum, which is to be held in Thailand during 9-10 June 2016. This event will act as a floor on which the CLMV group of countries can reach out to the international community. Additionally, Mrs. Tantraporn stated that this event will place emphasis on strengthening the economic ties between participating countries and promoting Thailand's Special Economic Zones (SEZ) in the border strip area.

On other matters, the meeting called for the promotion of ASEAN as a global leader in the food industry. This will be achieved through the showcasing of food products from across ASEAN in an international exhibition, which is planned for next year. Mrs. Tantraporn also stated that ASEAN's planned food industry promotion scheme is in line with Thailand's current strategy of becoming the 'world's kitchen' in a bid to open up opportunities for Thai food businesses to export their products into new markets. Second, preliminary discussions have also taken place between Ministers to resolve the troubling issue of the company establishment process in each country. A satisfactory outcome will reduce the time and cost business units bear in doing business in these countries. Lastly, the Ministers have agreed to accelerate the negotiations on the Regional Comprehensive Economic Partnership (RCEP), a free trade agreement (FTA) between ASEAN and six other nations including Australia, China, India, Japan, South Korea and New Zealand, with the aim of reaching agreement by the end of this year.

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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 Consulting services, please contact any of the persons below:

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