

On September 2005, Japan and Thailand jointly announced that agreement in principle has been reached between the Japanese side and the Thai side on all major elements of the Japan-Thailand Economic Partnership Agreement (hereinafter referred to as the "JTEPA"), on the basis of a series of negotiations since February 2004. The JTEPA was entry into force on November 2007.

The JTEPA became the fifth economic partnership agreement, following those concluded with Singapore, Mexico, Malaysia, and Chile.

### **1. Summary of the Agreement**

The JTEPA will further broaden and deepen the already close and cordial ties of friendship and mutually beneficial cooperation by forging closer economic relations, enhancing more favourable investment climate, and generating greater business opportunities through cooperation, liberalization and facilitation in trade and investment between the two countries.

### **2. The significance of the Agreement for Japan**

Thailand is Japan's 6th export partner and 9th import partner (2022 Trade Statistics, Ministry of Finance). The JTEPA will mark a new era for Japan-Thailand strategic partnership and provide a solid basis for an East Asian community.

### **3. The key elements in the Agreement**

- (1) Trade in goods: Comprehensive tariff elimination and reduction for industrial products and for agricultural products in bilateral trade, bilateral safeguards, etc.
- (2) Customs procedures: Publication of laws and regulations, rationalization and harmonization of customs procedures, bilateral cooperation and information exchange between customs authorities, establishment of subcommittee, etc.
- (3) Mutual recognition: Mutual acceptance of conformity assessment results pertaining to electrical goods in Japan and Thailand. With this agreement, conformity inspection of electrical appliances becomes possible in their respective countries.

- (4) Services: A pledge for market access and equal national treatment for service providers of the other party nation, Thailand, is a pledge for greater liberalization in the areas of retail and wholesale services, higher education, maritime shipping agent business, etc.
- (5) Investment: A pledge of equal national treatment, consideration for most favored nation status and prohibition of demand for execution of specific measures (demand for local procurement and demand for export), regarding investment activities (in the non-service industries) by investors of the other signatory nation
- (6) Movement of people: Japan to pledge approval of entry or temporary stay of Thai chefs and instructors (in the native dance, music, cooking, etc., of Thailand) under certain requirements.
- (7) Intellectual property: Improvement of simplification and transparency in a procedure and, greater protection of intellectual property rights and stronger exercise of rights, etc.
- (8) Competition: Bilateral information exchange and cooperation, etc., between competition regulators
- (9) Cooperation: Cooperation in the nine areas of agriculture, forestry and fisheries, education and human resources development, improvement in the business environment, information and communication technology, science, energy and environment, small businesses, tourism, trade and investment promotion.