



Thailand accelerates FTA negotiations to be completed by the end of 2025

In a strategic move to bolster international trade and diversify export markets, the Thai government is expediting negotiations for free trade agreements (FTAs) with the European Union (EU) and South Korea, with a targeted conclusion by the end of 2025. The Department of Trade Negotiations (DTN), under the Ministry of Commerce, is also making substantial progress in ongoing talks with Canada and the United Arab Emirates.

According to Ms. Chotima Iemsawasdikul, the Director-General of the DTN, the government recognises the urgency of expanding market access in light of new global trade dynamics, including the recent imposition of tariffs by the United States. The shift in global trade sentiment has prompted many nations, including Thailand, to prioritise the conclusion of high-standard FTAs.

The Thailand-EU FTA is regarded as a pivotal element in Thailand's trade policy. Negotiations have progressed through five rounds, with the sixth scheduled to take place later this month. The negotiation framework comprises 20 chapters, four of which have already been concluded. Forthcoming discussions will focus on key areas such as market access for goods, services, investment, and government procurement.

The EU is known for setting high benchmarks in its trade negotiations, often incorporating provisions related to environmental standards, labour rights, and sustainable development. Thailand's commitment to engaging in these negotiations reflects its intention to align with international standards while safeguarding national interests and ensuring broad-based benefits for domestic stakeholders.

On the other hand, negotiations with South Korea are reported to have made substantial headway. Both nations have expressed a mutual desire to finalise the agreement by the end of the year. Given the existing economic ties and trade volumes between Thailand and South Korea, a completed FTA is expected to enhance bilateral trade and investment flows significantly.

Beyond bilateral negotiations, Thailand is participating in the ASEAN-Canada FTA, a plurilateral agreement that is also characterised by high standards and comprehensive trade

liberalisation commitments. This deal is anticipated to be finalised by 2026 and will provide Thai exporters greater access to the North American market.

Meanwhile, negotiations with the United Arab Emirates (UAE) remain ongoing, with both parties exploring options to advance talks and resolve outstanding issues.

The DTN has also underscored the importance of supporting small and medium-sized enterprises (SMEs) in capitalising on existing FTAs. To this end, the Ministry is promoting awareness, capacity-building, and utilisation of trade preferences under current agreements.

Importantly, the Thai government is reviewing the establishment of an FTA fund aimed at mitigating the adverse effects of trade liberalisation on vulnerable sectors. The fund, currently under consideration by the Ministry of Finance, is intended to provide financial assistance and support adjustment measures for businesses and workers impacted by FTA-induced competition.

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