

JOINT STATEMENT
AT THE SIGNING OF THE AGREEMENT BETWEEN
THE KINGDOM OF THAILAND AND JAPAN FOR
AN ECONOMIC PARTNERSHIP

1. We, the Prime Minister of the Kingdom of Thailand, Surayud Chulanont, and the Prime Minister of Japan, Shinzo Abe, held a meeting in Tokyo on 3 April 2007. Bearing in mind that this year, Japan and Thailand celebrate the 120th Anniversary of the Diplomatic Relations and welcoming various commemorative events scheduled throughout the year, we believe that the traditional, close and cordial friendship between our two countries will be strengthened further in all aspects - economic, political, social and cultural - and at all levels, including at the people-to-people level. We also reaffirm that Japan and Thailand have made essential contribution to a wide range of regional cooperation with a view to building an East Asian community. Reaffirming the importance of universal values such as freedom, democracy, basic human rights and rule of law, we discussed how our two countries should work closely to fulfil our shared responsibility to contribute to the stability, security and prosperity of our two countries and the East Asian region, in the context of deepening and broadening strategic partnership between ASEAN and Japan, as well as the international community as a whole.

2. We, recognising that globalisation presents many new economic and strategic challenges and opportunities, affirm our determination to strengthen our economic and political relationship based on the idea of "acting together and advancing together". Thus, today, by signing the Agreement between Japan and the Kingdom of Thailand for an Economic Partnership (hereinafter referred to as "the Agreement"), we have taken the strategic partnership between our two countries into a new era.

3. We believe that closer economic partnership between Japan and Thailand will accelerate sound economic development, promote the well-being of the peoples and contribute to the capacity building of both countries as well as the region. We also recognise the need to remove unnecessary barriers to cross-border flows of goods, investment, services and persons, and the necessity to work together and cooperate further in order to maximise the benefits of globalisation for all.

4. The Agreement will increase the cross-border flows of goods, investment and services. It will also facilitate the movement of natural persons. The Agreement will, thus, strengthen the economic partnership between the two countries and, in turn, promote the development of the two respective economies.

Furthermore, it provides for the facilitation of the mutual recognition, the protection of intellectual property, the enhancement of cooperation in the field of government procurement, the promotion of fair and free competition, as well as the cooperation in the fields of (i) agriculture, forestry and fisheries, (ii) education and human resource development, (iii) enhancement of business environment, (iv) financial services, (v) information and communication technology, (vi) science and technology, energy and environment, (vii) small and medium enterprises, (viii) tourism, and (ix) trade and investment promotion. Pursuant to the negotiations, we further make statements on specific issues as attached to this Joint Statement and affirm our determination to fulfil our shared responsibility contained therein.

5. We hope that, through the Agreement, Japan and Thailand will be able to make maximum use of respective competitive edge and promote the development of both economies which will bring about prosperity and stability to peoples in both countries.

6. The Agreement will foster existing and new business opportunities, enhance competitiveness, and encourage closer partnership between the private sectors of the two countries, including development of and networking among SMEs as well as development of local-to-local linkage, thereby bringing benefit to the grassroots level. We are therefore encouraged by the fact that the private sectors of both countries have already begun exploring how to benefit from the Agreement. We reaffirm the determination of the two Governments, in close consultation with the private sectors and taking into account the interests of stakeholders, to support such efforts.

7. In this regard, we welcome the Joint Statement between the Minister of Agriculture, Forestry and Fisheries of Japan and the Minister of Agriculture and Cooperatives of Thailand on cooperation in the areas of food safety and local-to-local linkage under the Agreement. We also welcome the Joint Statement between the Minister of Economy, Trade and Industry of Japan and the Minister of Commerce of Thailand on the following seven cooperation projects, namely: Trade and investment promotion for "Kitchen of the World" project, Japan-Thailand "Steel Industry Cooperation Programme", "Automotive Human Resource Development Institute" project, Energy conservation, Value-creation economy, Public-private partnership, and Textile and Apparels Cooperation. We look forward to the effective and meaningful implementation of these Joint Statements as soon as possible.

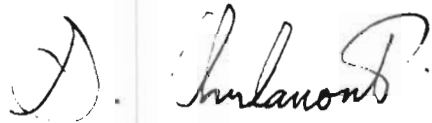
8. We further note the challenges of energy security to the progress of our respective countries and resolve to promote cooperation in areas of energy efficiency and conservation and

the development of alternative energy as is also discussed in the ASEAN+3 Ministers on Energy Meeting (AMEM+3 Meeting), with due consideration given to environmental protection. We reaffirm that the two Governments will pursue discussions in further details as to how they can cooperate under this Agreement.

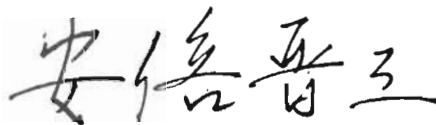
9. We share the view that the enhanced and comprehensive partnership between Japan and Thailand will put the two countries in a better position to contribute to the development of partnerships among countries in the region, including a comprehensive economic partnership and a partnership for development between Japan and ASEAN, and of other regional frameworks.

10. We, representing the Governments and peoples of both the Kingdom of Thailand and Japan, now celebrate the signing of the Agreement which will take onto a higher plane our partnership for the mutual benefit of our peoples and lay a solid foundation for an East Asian community.

Tokyo, 3 April 2007



Surayud Chulanont
Prime Minister
of the Kingdom of Thailand



Shinzo Abe
Prime Minister of Japan

1. **Automobiles**

The two Prime Ministers recognise the long-term, friendly relations between the two countries, and decide to sincerely discuss further liberalisation and possible elimination of tariffs in mid 2010's on Completely Built Up (CBU)s above 3000 cc. The discussion will start in 2009. The Thai side stated that it has no intention of extending more favourable treatment to other major automobile manufacturing countries in its future FTAs on auto tariffs than that extended to Japan.

2. **Most-Favoured-Nation Treatment**

The Royal Thai Government acknowledges that Japanese investor is the most important investor in terms of volume of foreign direct investment according to the Office of Board of Investment's statistics in 1985-2004.

3. **Investment**

The Royal Thai Government has no intention to change its current investment policy to be more restrictive for Japanese investors, with regard to investment in manufacturing sectors not included in List 1, 2 or 3 of the Foreign Business Act 1999.

4. **Mutual Recognition**

The two Prime Ministers recognise the importance and mutual interest of building a beneficial mutual recognition mechanism between the two countries. They also expressed the intention to promote cooperation in the field of mutual recognition with a view to facilitating trade in goods between them. In this regard, the two Governments will exchange relevant information, consult each other and, on mutually decided terms and conditions, provide technical assistance, in order to enhance the capability of each country's relevant Testing Laboratories and/or Conformity Assessment Bodies (CABs) towards effective implementation of mutual recognition under the Agreement.

5. **Anti-dumping**

The two Prime Ministers recognise a growing inclination in the world to easy recourse to anti-dumping measures, and share the profound apprehension that such measures are frequently abused for protectionist purpose to obstruct trade and afford unfair protection to domestic industries. The two Prime Ministers note with grave concern that such measures produce trade restrictive effects which hamper global efforts towards trade liberalisation, currently being pursued strenuously, in particular by the WTO.

The two Prime Ministers hence affirm the pressing need to establish robust and clear rules to ensure not only fairness and consistency in the application of anti-dumping measures but also transparency in anti-dumping proceedings. At the same time, in recognition of the potential for abuse of anti-dumping measures, the two Prime Ministers are determined that, in the context of the Agreement, the two Governments should not use such measures for protectionist purposes, and should only use them to the extent really necessary.

The two Prime Ministers are determined to continue and strengthen the cooperation between the two countries, particularly in the framework of the WTO, to clarify, improve and strengthen rules governing anti-dumping measures.

Suggested Agendas for the Senior Officials' Meeting for the 1st JTEPA Joint Committee Meeting

I. Welcome and Introduction

II. Documents to be adopted/exchanged in the JC Meeting

1. Operational Procedures (Article 24)
2. List of Laws and Regulations under Article 82
3. Joint Press Statement

III. Issues for further Consultation

1. Emergency Safeguard Measures (Article 84)
2. Issues for further consideration under Article 121

2.1 Commitments of Japan

- 1) Possibility of acceptance of Thai certified healthcare-workers
- 2) Possibility of acceptance of Thai spa therapists

2.2 Commitments of Thailand

- 1) Immigration requirement for hiring 4 Thais for each foreigner
- 2) Quantitative restriction of maximum 10 foreigners for 1 company as a requirement for issuing work permit

- 3) Possibility of Reducing the level of requirement for a natural person of Japan that intends to be transferred from a Japanese public or private organization to its branch or affiliate in Thailand

- 4) Possibility of further facilitating and expediting the procedures of making notification to the Ministry of Labour under Section 7 of the Working of Aliens Act

IV. Amendment of Annex 2 (Product Specific Rules for Rules of Origin)

It has been agreed at official level that, for the purposes of the effective implementation and operation of Chapter 2 (Trade in Goods) and Chapter 3 (Rules of Origin), it is practical and necessary to command negotiations to amend Annex 2 at the earliest after the entry into force of the JTEPA, as Annex 2 is made based on the Harmonized System 2002 while both countries have already implemented the Harmonized System 2007 since January 2007.

Purpose: Both sides agree on amendment of Annex 2 and schedule meeting dates/locations (set timeframe) for the negotiations.

V. Setting up of Sub Committees/Special Sub-Committees under the JTEPA

JTEPA provides for the formation of 18 Sub-Committees and 3 Special Sub-Committees, including those for each field of cooperation.

Purpose: Identify priority fields/areas for which the Sub-Committees/Special Sub-Committees should be set up and arrange for setting up those Sub-Committees/Special Sub-Committees.

VI. Others

Handwritten notes:
 1. future agreement
 2. priority issues
 3. JTEPA

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 1. JTEPA
 2. JTEPA
 3. JTEPA

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 1. JTEPA
 2. JTEPA

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 1. JTEPA
 2. JTEPA