



## ARISE Plus Thailand

# Inclusive and Sustainable Trade Growth in Thailand



## PROJECT SUMMARY

ARISE Plus Thailand aims to support inclusive and sustainable trade growth and poverty reduction in Thailand. It supports greater connectivity and economic integration between Thailand and the Association of Southeast Asian Nations (ASEAN) region in line with the ASEAN Economic Community (AEC) Blueprint 2025.

The 3-year project, worth EUR 3 million, aims to achieve a more transparent, predictable and competitive business environment, improve efficiency of public expenditure and service delivery, enhance organic agriculture practices and disseminate them within Thailand and other ASEAN countries.

These priority areas of support were identified together with the Ministry of Commerce and Thai stakeholders to help tackling specific trade-related challenges faced by Thailand. They are also relevant to support Thailand in managing the economic and trade impact of Covid-19.

Ultimate project beneficiaries include Thai Small and Medium-Sized Enterprises (SMEs) which will benefit from improved business environment, policies and processes to increase their competitiveness.

The focus on increasing transparency and simplification of regulations, for trade competition and public procurement, will notably address disadvantages faced more intensely by women and youth-owned businesses.

## CONTEXT

Thailand has been one of the most successful countries in the Southeast Asian region in terms of social and economic development, having moved from a low-income economy to an upper-middle income economy in less than a generation.

Thailand has greatly benefited from strong global and regional trade, a more resilient domestic market, and an improved business-enabling environment. Exports have far outstripped imports, and Foreign Direct Investment (FDI) has been a major motor in building competitiveness in the economy.

Thailand still faces structural constraints which need to be addressed to ensure full participation of the country in the global economy and in the ASEAN economic space. Support will also be required to manage the economic and trade impact of Covid-19.

Remaining bottlenecks in the business regulatory environment should be addressed for the country to continue its integration into the regional and global economy. A more balanced, inclusive and sustainable growth trajectory will contribute to the country's efforts of eliminating poverty and boosting prosperity for all.

ARISE Plus Thailand is aligned with Thailand's 20-Year National Strategy (2017-2036) which aims to attain developed country status through broad reforms and focuses on six key strategic areas, including competitiveness enhancement, environmentally friendly growth and improvement of the business environment.

### OVERALL OBJECTIVE:

Support inclusive and sustainable trade growth and poverty reduction in Thailand, while contributing to economic integration in the ASEAN region

### EXPECTED RESULTS:

- **A more transparent, predictable and competitive business environment:** Strengthened capacity of the Office for Trade Competition Commission (OTCC) for the application of the competition regulatory framework is in accordance with international best practices
- **Efficiency of public expenditure and service delivery:** Enhanced capacity of Comptroller General Department (CGD) for the application of the public procurement framework is in accordance with international standards
- **Organic agriculture practices enhanced and disseminated in Thailand and in selected ASEAN countries:** Enhanced understanding of policy frameworks for organic agriculture, in line with EU standards, in Thailand and in selected ASEAN countries

The project contributes to the achievement of the Sustainable Development Goals (SDGs):

1 NO POVERTY



8 DECENT WORK AND ECONOMIC GROWTH



17 PARTNERSHIPS FOR THE GOALS



## EXPECTED RESULTS

---

### A more transparent, predictable and competitive business environment

Strengthened capacity of the Office for Trade Competition Commission (OTCC) for the application of the competition regulatory framework is in accordance with international best practices

Strong and efficient trade competition frameworks are key to more transparent, predictable and competitive business environments. Thailand's national competition regulatory framework was updated in 2017 and an independent authority, the Office for Trade Competition Commission (OTCC) was subsequently established. The project will work with OTCC in order to support the application of the new Thai Competition Law in accordance with international best practices.

The project aims to:

- Strengthen the institutional capacities of OTCC on the basis of international best practices, and build the capacities of the relevant OTCC Divisions,
- Set-up a training programme to build internal and external skills and expertise,
- Strengthen the cooperation with other relevant Thai Government authorities,
- Develop advocacy vis-à-vis the business sector, Thai local authorities, especially at the provincial level, and civil society, with a focus on consumers.

### More efficient public expenditure and service delivery

Enhanced capacity of Comptroller General Department (CGD) for the application of the public procurement framework is in accordance with international standards

Public procurement has the potential to contribute to sustainable development through the creation of synergies between innovation, market growth and environmental protection. Thailand has embarked on reforming its public procurement system, with a focus on preventing corruption and anti-competitive behaviour, with an increased level of transparency and monitoring, for overall greater transparency and accessibility to public procurement markets. The project will work with Thailand's Comptroller General's Department (CGD), the authority in charge of public procurement, to reinforce institutional capacities and replicate existing international

good practices. In line with the Government's objective to strengthen national SMEs within the context of an open competitive government procurement market, Thai SMEs need to be better equipped to engage within the market and compete, domestically and internationally.

The project aims to:

- Strengthen the institutional capacity of CGD and other relevant Government stakeholders vis-à-vis the implementation of the Public Procurement Act of 2017,
- Improve the ability of Thailand's SMEs to operate within the context of an open competitive government procurement market,
- Support Thailand's participation in the Infrastructure Transparency Initiative (CoST),
- Build national capacities on the "Integrity Pact" under the Thai government procurement system.

### Enhanced organic agriculture practices

Enhanced understanding of policy frameworks for organic agriculture, in line with EU standards, in Thailand and in selected ASEAN countries

Organic agricultural practices have to be implemented and promoted. Conducive and clear policy frameworks for organic agriculture in line with international standards are pivotal in generating export opportunities for Thai and ASEAN SMEs. Thailand has taken the lead within ASEAN on organic standards and has requested support on certification. While organic farming is increasingly promoted by the Government of Thailand, accreditation of organic labelling, recognition and building local consumer awareness of the benefits of organic products remain low.

The project aims to:

- Support the relevant departments of the Ministry of Agriculture and Cooperatives (MOAC) and private certification bodies on organic agriculture,
  - Support farmers, farmer groups and processors,
  - Support trilateral cooperation between the EU, Thailand and other ASEAN countries.
-

## PROJECT PARTNERS

---

### European Union

ARISE Plus Thailand is a trade-related technical assistance project contributing to the implementation of the EU Regional Multiannual Indicative Programme (MIP) Asia 2014-2020, which is the main framework for EU regional cooperation in Asia.

The project is part of the regional ASEAN Regional Integration Support by the EU (ARISE). ARISE Plus is closely aligned with the five pillars of the ASEAN economic community (AEC) Blueprint 2025.

The EUR 3 million ARISE Plus Thailand project is fully funded by the European Union (EU).



### Ministry of Commerce

The project is a project with the Government of Thailand in the lead.

The project has been designed and will be implemented jointly with the Government of Thailand, in collaboration with the Ministry of Commerce (MOC).

A Steering Committee co-chaired by the MOC and the EU Delegation to Thailand will ensure the overall project governance.



### ITC

The International Trade Centre (ITC) is the only United Nations development agency fully dedicated to supporting the internationalization of SMEs. ITC enables SMEs in developing and transition economies to become more competitive and connect to international markets for trade and investment, thus raising incomes and creating job opportunities, especially for women, young people and poor communities. Established in 1964, ITC is the joint agency of the United Nations and the World Trade Organization.

ITC is the implementing agency of the ARISE Plus Thailand Project.



---

*This brochure has been produced with the assistance of the European Union. The contents of this brochure can in no way be taken to reflect the views of the European Union.*



Ms. Kanitha Kungsawanich  
Director  
Bureau of European Affairs  
Department of Trade Negotiations  
Ministry of Commerce  
563 Nonthaburi 1 Rd., Amphur Muang,  
Nonthaburi 11000  
Email: kanithak@dtm.go.th



Ms. Sylvie Bétemps Cochin  
Senior Trade Promotion Officer  
Office for Asia and the Pacific  
Tel.: +41-22 730 0111  
Email: betemps@intracen.org  
International Trade Centre  
Palais des Nations, 1211 Geneva 10,  
Switzerland  
www.intracen.org