

No. 19640

**AUSTRALIA
and
THAILAND**

**Trade Agreement (with agreed minute). Signed at Bangkok
on 5 October 1979**

Authentic texts: English and Thai.

Registered by Australia on 11 March 1981.

**AUSTRALIE
et
THAÏLANDE**

**Accord commercial (avec procès-verbal approuvé). Signé à
Bangkok le 5 octobre 1979**

Textes authentiques : anglais et thaï.

Enregistré par l'Australie le 11 mars 1981.

TRADE AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KINGDOM OF THAILAND AND THE GOVERNMENT OF AUSTRALIA

The Government of the Kingdom of Thailand and the Government of Australia, hereinafter referred to as the Parties,

Desiring to promote and expand mutually beneficial trade and trade relations between Australia and Thailand in accordance with their respective needs and objectives, and

Having regard to their respective international rights and obligations,
Have agreed as follows:

Article 1. The Parties shall, subject to their respective laws and regulations, take all appropriate measures to facilitate, strengthen and diversify trade between their countries in respect of both current and potential exports with a view to achieving a continuing expansion of mutually beneficial trade.

Article 2. To advance the objectives set out in article 1 of this Agreement the Parties:

- a. Shall encourage and facilitate as appropriate the negotiation of commercial contracts between the relevant enterprises and organizations of their two countries;
- b. Declare their support in principle for mutually beneficial long-term commercial arrangements relating to the supply and purchase of commodities and shall encourage the relevant enterprises and organizations to explore the scope for such arrangements and, where appropriate, to conclude such arrangements.

Article 3. The Parties shall grant each other most-favoured-nation treatment with respect to:

- a. Customs duties, internal taxes and charges of any kind imposed in connection with importation or exportation;
- b. The method of levying such duties, taxes and charges;
- c. The issue of import and export licences;
- d. All other rules, and formalities in connection with importation and exportation.

Article 4. The provisions of article 3 of this Agreement will not apply to:

- a. Commodities and goods imported into the territory of either Party under an aid or assistance programme;
- b. Special advantages accorded by either party to adjacent countries in order to facilitate frontier traffic;
- c. Tariff preferences and other advantages presently accorded or which are accorded in the future by either Party consistently with relevant rights and obligations specified for the contracting parties to the GATT;
- d. Such measures as are taken by either Party in accordance with its rights and obligations under any international commodity agreement which is open to participation by both the Parties;

¹ Came into force on 5 October 1979 by signature, in accordance with article 12.

- e. Such measures as either Party may consider necessary to safeguard its external financial position and balance of payments, its essential security interests, or human, animal or plant life or health.

Article 5. a. Each Party shall accord to the products of the country of the other Party, which have been in transit through the territory of any third country receiving most-favoured-nation treatment from the importing country, treatment no less favourable than that which would have been accorded such products had they been transported from their place of origin to their destination without going through the territory of such third country. Each Party shall, however, be free to maintain its requirements of direct consignment existing on the date of signature of the present Agreement in respect of any goods in regard to which such direct consignment is a requisite condition for eligibility for entry of the goods at preferential rates of duty or has relation to that Party's prescribed method of valuation for duty purposes.

b. Each Party shall be free to maintain or amend, on a non-discriminatory basis, its prescribed method of valuation for customs purposes.

Article 6. Each Party declares its intention that if it establishes or maintains a state enterprise wherever located, or grants to any enterprise, formally or in effect, exclusive or special privileges, it shall instruct such enterprise as far as possible in its purchases or sales involving either imports or exports, to act in a manner consistent with the principle of non-discriminatory treatment provided for in this Agreement.

Article 7. In order to further the objectives of this Agreement, each Party shall as appropriate encourage and facilitate:

- (i) The exchange of relevant information on agricultural commodities in the context of production, consumption and distribution which is of significance to each country;
- (ii) The interchange of commercial, industrial and technical representatives, groups and delegations between the two countries;
- (iii) The holding within its country of trade fairs, trade exhibitions and other promotion activities in the fields of trade and technology by enterprises and organizations of the other country.

Article 8. Each Party shall, in accordance with the laws and regulations of its country, exempt from the payment of import duties and taxes and permit re-exportation of articles for display at fairs and exhibitions as well as samples of goods for advertising purposes temporarily imported from the country of the other. Such articles and samples shall be re-exported from the country into which they are imported and shall not be disposed of in that country unless the prior approval of the competent authorities of that country has been obtained and the payment of the appropriate import duties and taxes, if any, has been made.

Article 9. The two Parties shall, as appropriate, encourage and facilitate the development of economic, commercial and industrial cooperation, including investments on a joint venture basis, between relevant enterprises and organizations of their respective countries. The decision to enter into individual cooperation projects and the contractual arrangements for their implementation shall be the responsibility of the participating enterprises and organizations and in accordance with the laws, regulations and policies of the host country.

Article 10. All payments arising from trade and other transactions between the two countries shall be effected in mutually acceptable convertible currencies in accordance with the foreign exchange laws and regulations in force in the two countries.

Article 11. For the purpose of promoting the aims of this Agreement, a Joint Trade Committee which will consist of representatives designated by the respective Parties is hereby established.

The Committee shall meet once a year unless otherwise mutually arranged, alternately in Australia and Thailand. Where necessary, special meetings to discuss matters of mutual interest may be arranged through consultations between the two Parties.

The Committee shall:

- a. Review and keep under consideration the implementation of the provisions of this Agreement;
- b. Examine measures for the solution of problems which may arise in the implementation of this Agreement or in the course of the development of trade between the two countries;
- c. Explore measures for the expansion of mutually beneficial trade between the two countries;
- d. Explore measures aimed at improving understanding of the trade and related commercial policies of each country;
- e. Identify appropriate areas of commercial, industrial and technical cooperation between the relevant enterprises and organisations of the two countries.

The Committee may submit to the two Governments recommendations relating to the matters in the third paragraph of this article.

Article 12. This Agreement shall come into force on the date of signature and shall remain in force for a period of one year. Thereafter it shall continue in force until ninety days after the receipt by one Party of written notice from the other that it wishes to terminate the Agreement.

In the event of termination of this Agreement, all outstanding obligations undertaken pursuant to this Agreement shall be fulfilled in accordance with its provisions.

IN WITNESS WHEREOF the undersigned, duly authorised by their respective Governments, have signed the present Agreement.

DONE in duplicate, in the Thai and English languages, both being equally authentic, at Bangkok, this fifth day of October of the two thousand five hundred and twenty-second year of the Buddhist Era, corresponding to the one thousand nine hundred and seventy-ninth year of the Christian Era.

For the Government
of the Kingdom of Thailand:

[Signed]

Air Chief Marshal
DAWEE CHULLASAPYA
Deputy Prime Minister

For the Government
of Australia:

[Signed]

The Rt. Hon.
JOHN DOUGLAS ANTHONY
Deputy Prime Minister
and Minister for Trade and Resources

AGREED MINUTE

The Deputy Prime Minister of Thailand, Air Chief Marshal Dawee Chullasapya, and the Deputy Prime Minister and Minister for Trade and Resources of Australia, the Right Honourable John Douglas Anthony, having signed today 5th October 1979 the Trade Agreement between the Government of Australia and the Government of the Kingdom of Thailand, exchanged views on trade matters of common interest to both countries and reached understanding on the following:

1. *Support for ASEAN*

The Government of Australia understands the desire of member nations of the Association of South East Asian Nations to conclude trade arrangements among themselves to promote economic growth and the expansion of their mutual trade and, consistent with relevant international obligations, is prepared to support such arrangements.

The Government of Australia confirms that, in declaring its support for trade arrangements among member nations of the Association of South East Asian Nations, it shall not claim any special advantages accorded among ASEAN members under such arrangements.

2. *International Commodity Agreements*

The Parties recognise that there are obstacles and uncertainties in international trade and that there is an urgent need to improve the conditions of international trade in raw and processed primary products including minerals and metals.

In particular the Parties support the principle of concluding and adhering to commodity agreements designed to improve the conditions of international trade in commodities of interest to them and to provide a greater degree of stability and predictability in such trade.

3. *Mercantile Marine Promotion Act B.E. 2521*

With regard to the spirit and undertakings in article 1 of the Trade Agreement, both Governments, mindful of their interest in the implications for trade between Thailand and Australia of the operation of the Mercantile Marine Promotion Act, agree that representations by either Government on this matter would be appropriate for discussion at meetings of the Joint Trade Committee or in *ad hoc* consultations with the view to seeking a mutually satisfactory solution to any relevant trade issues.

For the Government
of the Kingdom of Thailand:

[Signed]

Air Chief Marshal DAWEE CHULLASAPYA
Deputy Prime Minister

For the Government
of Australia:

[Signed]

The Rt. Hon. JOHN DOUGLAS ANTHONY
Deputy Prime Minister
and Minister for Trade and Resources