



Thailand signs trade pact with Yunnan

On 17 August 2023, a significant development unfolded as the International Trade Promotion Department of Thailand and Yunnan Province of China formally inked the eighth mini-free trade agreement (“mini-FTA”). This strategic accord aims to fortify collaboration in logistics and cross-border e-commerce, aiming to rejuvenate the export sector's momentum, which has experienced a recent deceleration.

The newly established mini-FTA holds a multitude of advantages, particularly favoring China with enhanced cooperation prospects across several key industries. These encompass the agricultural and food sector, electric vehicle industry, Artificial Intelligence (“AI”) domain, green industry, as well as the medical and health field. On the other hand, Thailand stands to gain substantially from this agreement through amplified agricultural and food product exports, with a pronounced emphasis on premium fruits.

Yunnan Province, geographically proximate to Thailand's border, assumes the important role of being the gateway that bridges the western regions of China to the vibrant landscapes of Southeast Asia and South Asia. A noteworthy statistic underscores the promise of this agreement: trade between Thailand and Yunnan surged to a

noteworthy \$2.34 billion in 2022, denoting a remarkable 17.9% upswing from the preceding year. This robust growth underscores the latent potential intrinsic to the mini-FTA with Yunnan. Consequently, this agreement is poised to offer Thailand an exceptional avenue to not only invigorate but also diversify its economic horizons.