

Thursday, 16 November 2023

## Realising the trade and investment potential between Thailand and Australia

Trade experts are recommending that Australia's ties with Thailand need to be refreshed in the light of the changing trade and political landscape in South-East Asia.

In their *Australia-Thailand Economic Engagement Report* experts from the University of Adelaide's Institute for International Trade are calling for a deeper, broader and more sustainable trade and investment relationship.

"By elevating their relationship to a Strategic Partnership, Thailand and Australia have explicitly and unambiguously signalled their intention to broaden and deepen what is already a close relationship, and to expand upon existing regional cooperation efforts," said Dr Nathan Gray, Director - Transnational Projects, University of Adelaide.

"There are a number of areas where trade and investment could be strengthened between the two countries, but also where impediments must first be overcome in order for this to happen.

"Both countries could expand their range of exports into each other's markets. Australian meat and cereals exports could do better, and Thailand could increase its exports of fish and machinery to Australia."

Two-way trade in goods and services was worth over AUS\$24.6 billion in 2021-22, making Thailand Australia's third largest trading partner among Southeast Asian countries and 11th largest overall. Since the Thailand-Australia Free Trade Agreement (TAFTA) came into force on 1 January 2005, trade in goods has more than doubled.

"With greater institutional cooperation both countries could trade and invest with each other more," said Dr Gray. "This would make a significant contribution to realising the objectives of the government's recently released Southeast Asia Economic Strategy to 2040."

The report makes a number of recommendations for expanding and deepening trade and investment including:

- Update the TAFTA to improve market access for trade and investment in both markets, and introduce disciplines in new areas such as e-commerce, competition, state-owned enterprises, environment, public procurement and SMEs;
- Seek parity of treatment in investment with the United States. The privileges enjoyed by US investors should be extended to investors from other countries;
- Support Thailand in achieving domestic regulatory reforms; and
- Move the Austrade office in Bangkok out of the Australian embassy and into the CBD to make it more accessible for business people.

To build stronger institutional ties and people-to-people links the report recommends a range of steps including a political summit between Australian and Thailand, more frequent high-level policy dialogue, sharing of best practice in policies such as competition and labour market reform, and increase student mobility.

The views, opinions and recommendations in the report are those of the author and do not reflect the official position held by the Australian Government or the University of Adelaide.

*Australia-Thailand Economic Engagement Report* can be downloaded at: [IIT NEWS UPDATES](#)

### Media contacts

**Dr Nathan Gray**, Visiting Senior Lecturer, Institute for International Trade, University of Adelaide. Mobile: +61 (0)433 955 861, Email: [nathan.gray@adelaide.edu.au](mailto:nathan.gray@adelaide.edu.au)

**Crispin Savage**, Manager, Media and News, The University of Adelaide. Mobile: +61(0)481 912 465. Email: [crispin.savage@adelaide.edu.au](mailto:crispin.savage@adelaide.edu.au)

Australian University Provider Number PRV12105, CRICOS 00123M