

FTA talks with US on track, says Thai minister

Surakiart admits the negotiations are 'most difficult' but says he is confident both nations will sign the trade deal in good time

By Eugene Low
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WASHINGTON - Thailand's negotiations with the United States for a free trade agreement (FTA) are 'on track' despite delays, Thai Foreign Minister Surakiart Sathirathai said here yesterday.

Speaking to reporters while on a visit to the US capital, Dr Surakiart said he was confident that both countries would seal the trade pact in good time.

Asked whether a possible change in the US administration after the presidential election could hamper progress, he said: 'There is an understanding on both sides that the free trade agreement will be for our mutual benefit.

'I am confident that bilateral negotiations will continue, whichever administration is in power.'

He, however, declined to set a definite timeframe for the completion of the talks.

'We hope that discussions will be finished as soon as possible, but there is no fixed time. It depends on the US side,' he said.

He also acknowledged that while Thailand had sealed FTAs with Australia, Bahrain, China and India, talks with the US were the 'most difficult'.

Many sensitive issues have to be addressed, he said - from those relating to pickup trucks, sugar and mobility of business people in the US to the opening up of the financial services sector and labour issues in Thailand.

He said Thailand was especially keen to have a clause on the free movement of its business people to the US included in the trade pact.

'It is the most important issue for us. The US-Singapore and US-Chile FTAs contain such provisions and we would like them included in our agreement as well,' he noted.

'Otherwise, the Thai people will question the benefit of an FTA with the US.'

But he expects these issues to be resolved.

Earlier, while speaking at an Asia Society lunch here, he said: 'Given the political commitment of both sides and the overall win-win situation that the FTA will bring, I am confident that these differences can be bridged.'

The trade pact will increase Thai exports to the US by 5.4 per cent and US exports to Thailand by 5 per cent, he added.

His comments come in the wake of growing concerns that the trade talks between Thailand and the US could drag beyond 2005, with this being an election year in the US.

A senior Thai official said at an Institute of South-east Asian Studies seminar in Singapore last week that Thailand was losing momentum in its trade talks with the US, Japan, India and Bahrain.

Dr Pawin Talerngsri, a trade negotiation official in the Thai Ministry of Commerce, said Thailand was overstretching itself in trying to do too many trade deals.

The kingdom is talking to eight countries and has targeted several more.

Dr Surakiart is in the US to attend the United Nations General Assembly meeting in New York.

The 46-year-old minister has set his sights on the UN's top job.

He has been garnering support to take over from UN Secretary-General Kofi Annan, who completes his term in 2006.