

## STUDY

# Thailand in 2016: restoring democracy or reversing it?

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### ABSTRACT

After staging a military coup against the Yingluck Shinawatra government, a junta has been ruling Thailand since 22 May 2014. It has drastically restricted political activities and freedom of speech. There have been numerous human rights abuses, including torture.

Under a 'roadmap to democracy', a referendum on a new constitution is planned for August 2017 and could be followed by elections at a later stage. However, the military might retain power until the king's successor accedes to the throne, in order to guarantee stability.

Despite close trade ties, the EU has suspended the signing of a partnership and cooperation agreement and negotiations on a free trade agreement until democracy is restored. In April 2015, Thailand received a 'yellow card' warning by the European Commission for problems relating to illegal, unreported and unregulated (IUU) fishing.

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## 1 Key issues and developments

- The country has been ruled by a military junta since the coup of 22 May 2014. The constitution was abolished and replaced with an interim constitution while a drafting committee worked on a new constitution. A draft constitution was presented in January 2016 and a referendum could take place in August 2016. In principle, this process should lead to general elections in 2017 and an elected government by mid-2017.
- In response to the coup, the EU froze the signing of the partnership and cooperation agreement that was initialled in November 2013. Negotiations on a free trade agreement were also suspended.
- The EU is very active in seeking to protect human rights in Thailand. Following the coup, the EU delegation in Bangkok updated its human rights strategy. It is the de facto leader in organising diplomatic observation of key court cases with like-minded countries, as well as organising field visits and maintaining contacts with human rights defenders.
- The chairs of the European Parliament Committee on Foreign Affairs and the Delegation for Relations with South-East Asia invited the ousted prime minister, Yingluck Shinawatra, to visit the EP. The Thai Supreme Court denied her permission to travel to Europe.
- Thailand is the third largest seafood exporter in the world but it fails to comply with EU standards for combating illegal, unreported and unregulated fishing (IUU). The European Commission identified shortcomings which led to the pre-identification of the country as potentially non-cooperative under the IUU regulation. The country received a yellow card on 21 April 2015.
- The low-intensity insurrection in the 'Deep South', which has been simmering for more than a decade and has cost 6 500 lives, requires a political solution with, as a minimum, a degree of cultural autonomy for the predominantly Malay-speaking Muslim minority.

## 2 European Parliament – Thailand: Milestones

- |                        |   |
|------------------------|---|
| <b>8 October 2015</b>  | The EP adopted a resolution on the situation in Thailand, expressing deep concern about the deteriorating human rights situation following the illegal coup of May 2014 and urging the authorities to lift repressive restrictions on the right to liberty and the peaceful exercise of other human rights. |
| <b>6 February 2014</b> | An EP resolution urged the Thai authorities and the opposition to initiate an inclusive and time-bound process of institutional and political reform. The EP underlined that the opposition's efforts to establish a non-elected 'People's Council' were undemocratic.                                      |
| <b>23 June 2013</b>    | An EP resolution called on the Thai government 'to end immediately the inhumane detention of at least 1 700 Rohingya asylum seekers [from Myanmar/Burma]'   |

**6 March 2013** EP President Martin Schulz met Thailand's then prime minister, Yingluck Shinawatra, during her visit to Brussels.

**27-31 August 2012** The eighth EP-Thailand inter-parliamentary meeting took place in Bangkok and Chiang Mai.

**17 February 2011** An EP resolution on the border clashes between Thailand and Cambodia called on both sides to reach a peaceful settlement in their dispute over the area close to the Preah Vihear temple, classified as a world heritage site by UNESCO.

**20 May 2010** An EP resolution on Thailand called for an end to political violence and restrictions on freedom of expression.

## 3 Political and economic situation in Thailand

### 3.1 Overview

Thailand is the only country in South-East Asia to have escaped colonial rule.

Thailand is the only country in South-East Asia to have escaped colonial rule. It was an absolute monarchy before becoming a constitutional monarchy with a parliament in 1932. Since 1947, however, the country has been dominated by military rule, with a few democratic interludes.

Prime minister Yingluck Shinawatra is the sister of former prime minister Thaksin Shinawatra.

#### Ousted prime minister Yingluck Shinawatra

Thaksin's younger sister was a successful businesswoman who was elected prime minister after the victory of the Pheu Thai party (PTP) in 2011. She promised to bring stability and reconciliation but was accused of being manipulated by her brother Thaksin. In addition, she faces criminal charges for mismanagement of the rice scheme during her mandate. If found guilty she could face ten years in prison. She now lives under a form of house arrest in Thailand. In 2016 she told Reuters that she was 'tending her vegetables, visiting temples and meeting friends'<sup>1</sup>. She was barred from political activity until 2020 after the National Legislative Assembly (NLA) voted on 23 January 2015 to impeach her for dereliction of duty over a controversial subsidy scheme which paid farmers above market rates for rice.

The country's politics have been split since 2001 between supporters and detractors of Thaksin Shinawatra.

Since 2001, the country's politics have been dominated by a split between supporters and detractors of Thaksin Shinawatra, who served as prime minister until he was ousted by the military in 2006. Thaksin went to live in self-imposed exile in Dubai in 2008, and faced corruption charges in Thailand. His sister Yingluck Shinawatra was elected prime minister in 2011<sup>2</sup>. Amidst protests led by former deputy prime minister Suthep

<sup>1</sup> Reuters, Turning over new leaf: Ousted Thai PM picks lettuce for the cameras, 2016 <http://www.reuters.com/article/us-thailand-politics-idUSKCN0VL118>

<sup>2</sup> BBC, Thailand Country Profile, 2015, <http://www.bbc.com/news/world-asia-15581957>

Yingluck Shinawatra was elected prime minister in 2011.	Thaugsuban (Democrat Party), Yingluck called early elections in February 2014. She hoped to restore calm in the country, which had been shaken by a political crisis following her government's attempt to introduce an amnesty bill which would have allowed Thaksin Shinawatra to return from exile. Protesters demanded the resignation of the prime minister, accusing her of leading a proxy government for her brother <sup>3</sup> .
Yingluck called early elections in February 2014 in the hope of restoring calm.	The opposition blocked the candidate registration process in 28 of the country's 375 constituencies, whilst voting was cancelled in 89 constituencies. The elections were boycotted by the main opposition Democrat Party (DP). Around 12 million of the country's 49 million voters were unable to vote. As a result, the elections failed to return the minimum number of members required to convene the House of Representatives. The country descended into political chaos <sup>4</sup> .
The elections were boycotted by the opposition.	According to unofficial results, prime minister Yingluck Shinawatra's party, the PTP, won around 300 seats in the 500-member House of Representatives. However, after the elections, the street protests did not stop. Clashes and attacks on both sides of the conflict continued, bringing the number of casualties to 21 by 26 February 2014.
Prime minister Yingluck's party won around 300 seats in the 500-member House of Representatives, but on 21 March 2014 the Constitutional Court nullified the February 2014 elections.	On 21 March 2014, the Constitutional Court nullified the February 2014 elections to the House of Representatives, in accordance with the 2007 Constitution, which stipulates that elections must take place at the same time throughout the country.
The military took power on 22 May 2014 to 'restore order'.	The Constitutional Court forced prime minister Yingluck Shinawatra and nine other ministers to step down on 7 May 2014. The remaining ministers selected deputy prime minister Niwatthamrong Boonsongpaisan as caretaker prime minister. The protests continued, and on 22 May 2014 <sup>5</sup> the military took power to 'restore order'. It established the <b>National Council for Peace and Order (NCPO)</b> , headed by General Prayuth Chan-ocha.
The military established the National Council for Peace and Order (NCPO).	The junta declared martial law and a nationwide curfew, banned political gatherings, arrested and detained politicians and anti-coup activists, imposed internet censorship and took control of the media.
General Prayuth Chan-ocha was appointed prime minister by the military-appointed assembly.	In the following months, the junta appointed other military-dominated governing bodies to rule the country: the Constitution Drafting Committee (CDC), the NLA, the National Reform Council (NRC <sup>6</sup> , later replaced by the National Reform Steering Assembly – NRSA) and the Cabinet.
	General Prayuth Chan-ocha, then head of the army, was named prime minister by the military-appointed NLA on 21 August 2014.

<sup>3</sup> Interparliamentary Union, Thailand, 2014, [http://www.ipu.org/parline-e/reports/thai-hr\\_a.htm](http://www.ipu.org/parline-e/reports/thai-hr_a.htm)

<sup>4</sup> Interparliamentary Union, Thailand, 2014, [http://www.ipu.org/parline-e/reports/thai-hr\\_a.htm](http://www.ipu.org/parline-e/reports/thai-hr_a.htm)

<sup>5</sup> BBC, Thailand Country Profile, 2015, <http://www.bbc.com/news/world-asia-15581957>

<sup>6</sup> In October 2014 the junta established the 250-seat National Reform Council (NRC), intended to provide recommendations for reform of governance and the political process.

### **Prime minister General Prayuth Chan-ocha**

Army chief General Prayuth Chan-ocha, born on 21 March 1954, began his military career in the Queen's Guard unit. He moved up the ranks to become a commander in the King's Guard before taking over as head of the army in October 2010. He played a key role in the 2006 bloodless coup that overthrew the then prime minister, Thaksin Shinawatra. He acted as a mediator in the political crisis between prime minister Yingluck, the opposition and the army.

The NCPO announced a 'road map to democracy' and pledged to hold elections, but the date of the elections has been postponed several times.

The NCPO announced a '**road map to democracy**' and pledged to carry out reforms and, later, hold elections. The election date has been postponed several times. It was first scheduled for 2015, then mid-2016 and then for 2017. Martial law was lifted on 1 April 2015, without affecting the junta's power.

### **King Bhumibol Adulyadej**

King Bhumibol Adulyadej, born in 1927, rarely makes public appearances.

The king is the head of state. He is a constitutional monarch without a formal political role. He holds a semi-divine status: under section 8 of the constitution, he is enthroned in a position of revered worship. He also holds the position of head of the armed forces<sup>7</sup>. Born in 1927 and crowned in 1946, King Bhumibol Adulyadej is regarded by some analysts as a stabilising figure for the country. His birthday on December 5 is celebrated as Father's Day. He is the world's longest-serving head of state. Also known as Rama IX, he is the ninth monarch of the Chakri Dynasty<sup>8</sup>. King Bhumibol Adulyadej has been almost permanently hospitalised since June 2015.

The king has established good relations with the military.

The king has played an important role during times of political crisis and through the years of dictatorship. He has established good relations with the military. The military became very royalist during the 20th century, which has led some political observers to believe that worries concerning the king's succession have contributed to current political instability. The military would like to ensure a smooth royal transition.

### **Royal heirs**

The monarchy's influence could diminish after the king's death because his possible successor, Crown Prince Vajiralongkorn, does not command the same respect as his father and has not established the same relations with the military and the establishment. This may of course change, as the prince

<sup>7</sup> Interparliamentary Union, Thailand, 2014, [http://www.ipu.org/parline-e/reports/thai-hr\\_a.htm](http://www.ipu.org/parline-e/reports/thai-hr_a.htm)

<sup>8</sup> In 1782 General Chao Phraya Chakri led a coup, seized power and founded a new dynasty under the name of King Rama I. The country was called Siam and a new capital, Bangkok, was founded. In 1917, Siam became an ally of Great Britain during World War I. The absolute monarchy ended in a bloodless coup in 1932; constitutional monarchy was introduced along with a parliamentary government. In 1939, Siam changed its name to Thailand, the 'Land of the Free', see <http://www.bbc.com/news/world-asia-15641745>

has recently reined in his private life and has taken steps to improve his relations with the military.

The king designated Prince Vajiralongkorn as heir to the throne in 1972.

Born in 1952, Vajiralongkorn is the only son of King Bhumibol Adulyadej and Queen Sirikit. The king designated Vajiralongkorn heir to the throne in 1972, which means that under current succession law, Parliament should simply ratify the king's choice. Until recently, the crown prince rarely made official public appearances in Thailand. He has spent much of his life in Germany with his private life regularly making headlines (outside Thailand). He divorced his third wife in 2014, amidst allegations that her family had misused their royal status for private gain. This divorce has been interpreted as an attempt by the prince to make himself more acceptable to the Thai public.

The crown prince's private life has damaged his reputation in Thailand.

The crown prince cultivated links with Thaksin Shinawatra when the latter was in power, but his relations with the Shinawatra family gradually deteriorated during the anti-government protests. After the May 2014 coup, Prince Vajiralongkorn started reaching out to the junta. The fact that he accepted to chair the inauguration ceremony of the NLA in August 2014 was understood as an implicit endorsement of the junta.

After the May 2014 coup, Crown Prince Vajiralongkorn improved his relations with the military.

Thai succession law leaves room for ambiguity in the designation of the royal heir. Observers of the country's political life think that the crown prince is not the king's only potential successor. Since 1974 the constitution has allowed a daughter of the king to accede to the throne in the absence of a male heir. Princess Maha Chakri Sirindhorn, one of King Bhumibol's three daughters, has often been mentioned as a possible alternative. Like her father, she is very popular, due to her charitable activities and humble reputation.

Thai succession law leaves room for ambiguity in appointing the royal heir.

Another potential royal successor is Prince Vajiralongkorn's eldest daughter and King Bhumibol's first grandchild, Princess Bajrakitiyabha. She holds a doctorate from Cornell Law School and has worked in a number of government positions, including at Thailand's Permanent Mission to the United Nations. Since 2014, she has worked in Bangkok as Provincial Chief Public Prosecutor at the Office of the Attorney General<sup>9</sup>.

Since 1998, former prime minister and army general Prem Tinsulanonda has been president of the Privy Council.

### **The Privy Council of Thailand**

The Privy Council is made up of the king's advisors. According to the constitution, the king can appoint a maximum of eighteen members. He selects and appoints one qualified person to be president of the Privy Council<sup>10</sup>. Since 1998, former prime minister and army general Prem Tinsulanonda has been president of the Privy Council. Born on 26 August 1920, he is seen as conservative and highly influential. He allegedly played a

<sup>9</sup> The Leaderboard: HRH Princess Bajrakitiyabha 'Pa' Mahidol ,2014 <http://cogitasia.com/the-leaderboard-hrh-princess-bajrakitiyabha-pa-mahidol/>

<sup>10</sup> The Thai monarchy, the privy council of Thailand - also includes a complete list of the members of the Privy Council, see <http://www.thaimain.com/eng/monarchy/privy.html>



role in the coup that ousted then Prime Minister Thaksin in 2006 and was a target for protesters from the United Front for Democracy Against Dictatorship (UDD) in 2009<sup>11</sup>.

## 3.2 Political parties

Since the coup, political parties' activities have been restricted.

In June 2014, the NCPO suspended public funds for political parties. They continue to be regulated under the 2007 law but are prohibited from meeting and conducting political activities. Furthermore, the **creation of new political parties is prohibited** by NCPO order 57. The CDC has held meetings with some party leaders, but they were not allowed to meet to formulate a common position beforehand<sup>12</sup>.

The country's political system is dominated by two main factions:

The **Democratic Party (DP)**: associated with traditional elites, it has strong ties with the People's Alliance for Democracy (PAD), commonly known as the 'Yellow Shirts' (the colour of the king), a movement that helped overthrow Thaksin Shinawatra. The electorate includes many of Bangkok's upper and middle class voters.

Former PM Thaksin's original Thai Rak Thai party (TRT) and its successors, the **People's Power Party (PPP)** and the **Pheu Thai Party (PTP)**. The latter has won every election since 2001. While the NCPO's actions have favoured the interests of the DP's core supporters, leaders of both the DP and the PTP have been kept on the sidelines of the political process since the 2014 coup.

Before the coup, the two major alliances, known as the Red Shirts and the Yellow Shirts, were:

Before the coup, the two major political alliances were known as the Red Shirts and the Yellow Shirts.

- The **People's Democratic Reform Committee (PDRC)** led the protests that started in November 2013 under the leadership of Suthep Thaugsuban, formerly deputy prime minister and secretary general of the DP. The group drew support from a variety of sources and groups. It included elements of the **Yellow Shirt** movement, extremist and ultra-royalist organisations, and large swathes of Bangkok's middle and upper classes.
- The **United Front for Democracy Against Dictatorship (UDD)** whose supporters are commonly known as the '**Red Shirts**', is a diverse political pressure group composed of rural masses from northeastern and northern Thailand. It is composed of Bangkok's urban lower classes, and intellectuals. The movement generally represents those who feel excluded from the benefits of economic growth and the traditional levers of power. It was supported by former Prime Minister Thaksin

<sup>11</sup> Country Generated Forecast on 3 March 2016 by Control Risks Online Solutions <https://www.controlrisks.com/en/online-solutions>

<sup>12</sup> Freedom House, Thailand, 2015 <https://freedomhouse.org/report/freedom-world/2015/thailand>

Shinawatra, who is now in exile. Not all UDD members support him; many disagree with the amnesty bill proposed by Yingluck.

### 3.3 The Royal Thai Army

Thailand has large, well-equipped armed forces.

Thailand has large and well-equipped armed forces, including an army of 245 000, a navy of 69 850, an air force of 46 000 and 92 700 paramilitary troops. It has one of the best equipped air forces in South-East Asia, with equipment including Gripen combat aircraft and Saab 340AEW platforms. The defence budget was THB 207 billion in 2016, a significant increase on the 2015 budget of THB 193 billion, although it should be noted that other countries in the region increased their defence budgets even more. For example, Bangladesh, Singapore, Indonesia, the Philippines, Pakistan, Malaysia, Timor-Leste and Australia all applied increases of more than 20 %, whereas Thailand's increase was between 3 and 10 %. The 2014 coup undermined Thailand's alliance with the United States, leading to a reduction in joint training exercises. The country's relationship with China has been increasingly friendly, as demonstrated by Thai interest in purchasing Chinese submarines and a bilateral air exercise in November 2015. Operations against insurgents in the three southernmost provinces and parts of a fourth are ongoing, but the low-level war there continues<sup>13</sup>.

The Thai military has always suffered from factionalism.

The Thai military has always suffered from factionalism, with cliques based around military personalities, graduating classes, units, corporate interests and ideology. Over the years, the most notable factions have come from the military, the police and the Eastern Tigers. This has resulted in Thailand's military becoming increasingly divided between those who benefited from post-coup promotions and those who did not. Currently the largest faction is the Eastern Tigers, whilst the Wongthewan faction has also been given high-level army positions<sup>14</sup>.

Coup leaders have been criticised for giving military officers broad police-like powers to arrest and detain civilians.

Coup leaders have been criticised for giving military officers broad police-like powers to arrest and detain civilians. Soldiers with the rank of sub-lieutenant or higher are allowed to prevent or suppress 27 types of offence, including crimes against public peace, defamation, gambling, extortion and labour abuses, as well as being able to search properties without warrants. The military can also seize assets, suspend financial transactions and ban suspects from travelling. Colonel Piyapong Klinphan, a spokesperson for the junta, said these powers were implemented to prevent crimes that pose a threat to public order<sup>15</sup>.

<sup>13</sup> The Military Balance, Chapter Six: Asia, The Military Balance, 2016, <http://dx.doi.org/10.1080/04597222.2016.1127567>

<sup>14</sup> The Wall Street Journal, Thailand's Divided Military, 2014 <http://www.wsj.com/articles/thailands-divided-military-1404148174>

<sup>15</sup> The Guardian, Thai junta criticised as army given sweeping powers of arrest, 2016, <http://www.theguardian.com/world/2016/apr/05/thailand-junta-gives-army-sweeping-powers-of-arrest>

## 3.4 Parliament

The House of Representatives and the Senate were abolished after the May 2014 military coup.

Legislative power was vested in the National Legislative Assembly (NLA), appointed by the NCPO.

Under the 2007 constitution, Thailand was governed by way of a bicameral parliamentary system<sup>16</sup>. The House of Representatives and the Senate were abolished after the May 2014 military coup. Legislative power was vested in the NLA, an assembly composed of 200 members appointed by the NCPO, on 23 July 2014<sup>17</sup>. The NCPO claims it selected people from all professions and political backgrounds. Members were taken from different sectors: principally the public, private, civic, academic and professional sectors. Other members of the assembly include senior bureaucrats, lawyers from the Council of State, lawyers from the Administrative Court and some previously unheard-of members. Former politicians who worked for recent governments are ineligible, as stated in the interim constitution. Furthermore, positions have been given to PDRC supporters who joined together to overthrow Yingluck and support the coup: these include former senators, presidents of public universities, and regular speakers at PDRC protests. The daughter of Field Marshall Thanom Kittikajorn, a dictator who ordered a massacre of university students in 1973, was also chosen<sup>18</sup>. General Preecha Chan-ocha, Prayuth's younger brother, was appointed, as was a close aide to the chairman of the Privy Council.

In practice, the junta seems to have failed to maintain diversity. Positions have been assigned to relatives and to supporters of the junta. Additionally most NLA members are elderly, many of them soldiers and civil servants who have not been active for a long time. The appointment of the NLA may have been a step in the right direction, as it is an example of power being returned to civilians; however, it is not yet fully democratic. There is much progress to be made with regard to the biased selection of members and the over-representation of members from the elite and from groups opposed to the Shinawatra family<sup>19</sup>.

Apart from its legislative function, the NLA also has a limited role in reinforcing the Cabinet's accountability. The assembly chooses a prime minister but cannot remove him or her unless the NCPO proposes it.

<sup>16</sup> For more information on the previous Thai legislative system please refer to Thailand Country briefing 2014, Marika Armanovica DG EXPO Policy Department

<sup>17</sup> Royal Thai Government, Three-month Progress Report of the NCPO, 2016, <http://www.thaigov.go.th/index.php/en/pressbriefing/item/85621-id85621.html>

<sup>18</sup> The Wall Street Journal, Thailand's Divided Military, 2014, <http://www.wsj.com/articles/thailands-divided-military-1404148174>

<sup>19</sup> Cetri, Thailand's National Legislative Assembly, 2014, <http://www.cetri.be/Thailand-s-National-Legislative?lang=fr>

## 3.5 Constitution

The junta abolished the 2007 constitution.

The junta abolished **the 2007 constitution** and replaced it in July 2014 with an **interim constitution** drafted without public consultation and approved by the king. It brought in unchecked powers and provided no human rights safeguards. The interim constitution is expected to remain in place until a new constitution is approved by referendum. If the constitution is not adopted, military rule could be extended. The referendum is a part of the above-mentioned 'roadmap to democracy'. The junta claims that it will take place in July 2017 but that remains to be seen.

A constitution drafting committee (CDC) was appointed by the military in November 2014 and tasked with drafting a new constitution.

The **CDC** was appointed by the military in November 2014 and tasked with drafting a constitution by early 2015. Its 36 members were nominated by the NCPO, the NLA, and the Cabinet. It held consultations with the major political parties and movements<sup>20</sup>. The chairman of the CDC, Meechai Ruchupan, claimed that the constitution aimed to solve long-running problems such as 'abuse of power by lawmakers'. He stated that 'if we are to reform the country, we have to use strong medicine, even if the political parties do not agree; I can't promise it will be Thailand's last constitution'<sup>21</sup>.

The constitution could be submitted to a referendum.

In **April 2015 a first draft constitution** was released. The risk that it would not be adopted by referendum was so high that it was withdrawn. A **second draft, released on 29 January 2016**, reintroduces some of the first draft's more controversial provisions, the most important of which are the appointment of a non-elected prime minister and a military-dominated committee to oversee government.

## 3.6 Security

An insurgency has been under way in the south of the country since the 1940s.

A mixture of martial law and emergency rule has been in effect for a decade in the three southernmost provinces and parts of a fourth, where Malay Muslims form a majority and a separatist insurgency has been ongoing since the 1940s. Since the escalation of military operations in January 2004, more than 6 000 people have been killed. Civilians are regularly targeted in shootings, bombings and arson attacks. Insurgents have often targeted schools and teachers as symbols of the Thai state.

The peace dialogue between Bangkok and the rebels has stalled since the coup.

In February 2013, the government signed an agreement to begin the first formal peace negotiations with the National Revolutionary Front (BRN). The peace dialogue stalled during the political crisis and the coup. The NCPO allowed Malaysia to continue assisting with the BRN negotiations, but it also pursued military solutions. Counter-insurgency operations have led to the indiscriminate detention of thousands of suspected militants and

<sup>20</sup> Freedom House, Thailand, 2015, <https://freedomhouse.org/report/freedom-world/2015/thailand>

<sup>21</sup> Reuters, Draft constitution for army-run Thailand's 'strong medicine', 2016, <http://www.reuters.com/article/us-thailand-politics-idUSKCN0UY13E>

supporters. Credible reports exist of torture and other human rights violations, including extrajudicial killings, by both the security forces and the insurgents<sup>22</sup>.

Deadly attacks have increased in 2016.

In 2016, the rate of deadly attacks has increased, which bodes ill for the peace talks. On 12 February 2016 an outburst of violence in the provinces of Yala and Pattani included the roadside bombing of a military patrol providing security for local school teachers, as well as drive-by shootings and arson attacks. Again on 13 March 2016, ten insurgents stormed Jog Airon Hospital in Narathiwat province and used it as a stronghold to attack a nearby Thai government security post<sup>23</sup>.

The Organisation of Islamic Cooperation (OIC) has offered to serve as a facilitator in a peace-building process between the Thai government and separatist groups in the country's southern regions<sup>24</sup>.

### 3.7 Corruption

Corruption is widespread at all levels of society.

**Corruption is widespread at all levels of society.** In 2015 Transparency International ranked Thailand 76th most corrupt of 168 countries. This places the country ahead of many other South-East Asian countries. Government surveys show that the most corrupt institutions are the ministries of the interior, transport and communications, the customs department, the police and the military<sup>25</sup>.

Politicians from both the former ruling and opposition parties have faced corruption allegations. The junta has also been mired in two corruption scandals: one involving the procurement of overpriced audio-visual equipment for government offices, and the other regarding the personal wealth of Cabinet members<sup>26</sup>.

The National Anti-Corruption Commission remained in place after the coup but was put under the control of the junta.

The National Anti-Corruption Commission (NACC) is an independent body established in April 1999. On 8 May 2014, the NACC charged Yingluck Shinawatra with negligence and other offences related to the rice subsidy scheme. It recommended launching impeachment proceedings against her. After the coup, the NACC remained but was placed under the authority of the NCPO by the interim constitution.

<sup>22</sup> Country Generated Forecast on 3 March 2016 by Control Risks Online Solutions <https://www.controlrisks.com/en/online-solutions>

<sup>23</sup> Human Rights Watch, Thailand: Insurgents Seize Hospital in South, 2016, <https://www.hrw.org/news/2016/03/15/thailand-insurgents-seize-hospital-south>

<sup>24</sup> SMBC, Leading Islamic organisation offers to help Thailand rebuild peace in restive south, 2016, <http://www.channelnewsasia.com/news/asiapacific/leading-islamic/2423530.html>

<sup>25</sup> Country Generated Forecast on 3 March 2016 by Control Risks Online Solutions <https://www.controlrisks.com/en/online-solutions>

<sup>26</sup> Freedom House, Thailand, 2015, <https://freedomhouse.org/report/freedom-world/2015/thailand>

## 3.8 Human rights situation

The human rights situation has worsened significantly since the military coup.

Since the military coup in 2014, the human rights situation in Thailand has **deteriorated drastically** and the military has **severely curbed civil and political rights**, such as the freedom of speech, association and assembly, the right to liberty and the right to a fair trial. Although martial law was lifted in 2015, the NCPO has retained and expanded the regime's excessive powers, inter alia by limiting redress for victims of human rights violations<sup>27</sup>. This development has been further exacerbated by the decision to grant **military officials broad law-enforcement powers and impunity**<sup>28</sup>.

The military has also **failed to protect Thai and migrant workers** from trafficking and slave labour, while clamping down on human rights defenders and journalists who have reported human rights violations.

### 3.8.1 Freedom of speech, association and assembly

The junta has cracked down on freedom of speech online and offline, using anti-defamation legislation and laws against insulting the monarchy to silence critics.

Since taking power, the military regime has **aggressively curtailed freedom of speech** and the media both online and offline. Junta leader Prayuth Chan-ocha has stated publicly that he will 'probably just execute' journalists who do not report 'the truth'<sup>29</sup>.

On several occasions, **anti-defamation lawsuits** have been used to target human rights defenders who have exposed abuse by the military, as well as trafficking and exploitative conditions in private companies. One such case involved British citizen Andy Hall, who helped the Finnish NGO Finnwatch author a report exposing ill-treatment of migrant workers in a factory owned by **Natural Fruit**, Thailand's largest producer of canned pineapple. The trial is scheduled to finish in July and if found guilty Hall could face up to seven years in prison<sup>30</sup>.

In another case, **journalists** Alan Morison and Chutima Sidasathian were charged under the **computer crimes act** for a 41-word paragraph from a Reuters news report published on the independent news site Phuketwan.

<sup>27</sup> Amnesty International, *Annual Report 2015-2016 Thailand*, 2015/2016,

<https://www.amnesty.org/en/countries/asia-and-the-pacific/thailand/report-thailand/>

<sup>28</sup> FIDH: Human rights groups condemn NCPO Order 13/2016 and urge for it to be revoked immediately, 2016, <https://www.fidh.org/en/region/asia/thailand/human-rights-groups-condemn-ncpo-order-13-2016-and-urge-for-it-to-be>

<sup>29</sup> The Guardian, We'll probably kill journalists who don't report the truth, says Thai leader, 2015, <http://www.theguardian.com/world/2015/mar/25/kill-journalists-report-truth-thai-leader-prayuth-chan-ocha>

<sup>30</sup> The Guardian, Human rights in Thailand: Andy Hall's legal battle to defend migrant workers, 2016, <http://www.theguardian.com/global-development-professionals-network/2016/jan/22/human-rights-thailand-andy-hall-legal-battle-migrant-workers>

The report claimed that Thai naval officers were involved in trafficking Burmese Rohingya refugees<sup>31</sup>. The two journalists were eventually acquitted and a navy general was arrested on **trafficking charges**.

The frequent use of Thailand's strict laws against **insulting the king** (*lèse majesté* laws) is another way of silencing critics of the regime and establishment. Article 112 of Thailand's criminal code provides for **prison sentences of 3 to 15 years** for anyone who insults the king. Since the military coup, the authorities have loosened the interpretation of this provision in order to target critics of the monarchy and the regime, in particular those affiliated with the Red Shirts. The number of arrests and convictions has increased dramatically, and jurisdiction for these cases has been transferred to the military courts.

Many of the charges against individuals have been based on Facebook posts and private messages. One case concerns Thanakorn Siriphaiboon, a 27-year-old factory worker and member of a Red Shirt group on Facebook who was arrested and kept in incommunicado detention for **mocking the king's dog** in a Facebook post<sup>32</sup>.

The junta is **clamping down on democratic public debates** organised by civil society, e.g. by banning a forum on land reform on the grounds that its proposals could diverge from those of the NRC<sup>33</sup>.

### 3.8.2 Right to a fair trial

The right to a fair trial is being violated by the use of military courts and secret trials.

The regime routinely violates the right to a fair trial, especially for individuals accused of insulting the king and critics of the regime, who are tried in military courts. This is a violation of the right to be tried by an independent and impartial court, as military courts in Thailand are not independent of the executive and violate the procedural requirements for a fair trial in a number of ways. Firstly, pre-trial detention is the norm, being applied in 94 % of cases involving charges of *lèse majesté*, and bail is routinely denied. This constitutes an infringement of the right to liberty and the right to be presumed innocent<sup>34</sup>.

Furthermore, trials in military courts are often kept **closed to the public**, including international human rights organisations and diplomatic missions, on vague grounds of public morality and national security. Detainees are also known to have been denied access to a lawyer and given insufficient time to prepare their defence. Some have been subject to

<sup>31</sup> The Guardian, Australian journalist faces jail after refugee report angers Thai navy, March 2014, <http://www.theguardian.com/world/2014/mar/10/australian-journalist-facing-jail-thailand>

<sup>32</sup> FIDH, Fédération Internationale des Droits de l'Homme, 36 and counting - Lèse-majesté Imprisonment under thailands Military Junta, 2016, p.8-9, [https://www.fidh.org/IMG/pdf/fidh\\_thailand\\_report\\_lese\\_majeste.pdf](https://www.fidh.org/IMG/pdf/fidh_thailand_report_lese_majeste.pdf)

<sup>33</sup> Idem

<sup>34</sup> FIDH, 36 and counting - Lèse-majesté Imprisonment under Thailand's Military Junta, 2016, [https://www.fidh.org/IMG/pdf/fidh\\_thailand\\_report\\_lese\\_majeste.pdf](https://www.fidh.org/IMG/pdf/fidh_thailand_report_lese_majeste.pdf)

*incommunicado* detention, which greatly increases the risk of them being tortured. The conviction rate in cases of insulting the monarchy is one hundred percent. Many defendants choose to plead guilty to have their sentences reduced.

### 3.8.3 Torture

Torture is common in Thailand and impunity is the rule.

The military has on several occasions been **accused of torturing detainees**, including Red Shirt activists. It has consistently denied such allegations<sup>35</sup>. In one case, a defamation lawsuit was filed against human rights defender Pornpen Khongkachonkiet, because she was calling for investigations into torture allegations<sup>36</sup>.

Thailand ratified the UN Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (CAT) in November 2007. However the country has failed to pass any legislation specifically criminalising torture or implementing the CAT provisions.

Thailand reported to the UN Committee against Torture in 2014 and the Committee noted, inter alia, the fact that the **definition of torture has disappeared** from the country's legal code; as well as the routine use of torture and forced disappearance by the police and military. The Committee stressed the absolute nature of the prohibition of torture, recalling that a state of emergency may not be invoked to justify this crime<sup>37</sup>.

Impunity remains the rule for perpetrators of torture, although in several cases where victims died, limited steps were taken to hold those responsible to account<sup>38</sup>.

In October and November 2015, two civilian detainees died at a newly opened military detention centre<sup>39</sup>.

### 3.8.4 Death penalty

Thailand retains the death penalty, including for drug-related crimes.

Thailand **abolished the death penalty for minors** in 2012. However, it retains the death penalty for adults, including for drug-related offences. According to the country's prison authority, 413 people were on death row

<sup>35</sup> RFI, *L'armée thaïlandaise accusée de tortures contre des manifestants*, 2014, <http://www.rfi.fr/asi-pacifique/20140806-armee-thaïlandaise-accusee-tortures-contre-manifestants>

<sup>36</sup> Human Rights Watch, World Report Thailand, 2016, <https://www.hrw.org/world-report/2015/country-chapters/thailand>

<sup>37</sup> United Nations, Convention against torture and other cruel, inhuman or degrading treatment or punishment, Concluding Observations on the Initial Report of Thailand, June 2014, <http://www.ohchr.org/en/hrbodies/cat/pages/catindex.aspx>

<sup>38</sup> Amnesty International, Annual Report 2015-2016 Thailand, <https://www.amnesty.org/en/countries/asia-and-the-pacific/thailand/>

<sup>39</sup> Amnesty International, Annual Report 2015-2016 Thailand,, <https://www.amnesty.org/en/countries/asia-and-the-pacific/thailand/>



at the end of 2015, 55 % of whom had been convicted of drug-related crimes<sup>40</sup>. Seven people were sentenced to death in 2015 alone<sup>41</sup>, including two Burmese migrant workers accused of the murders of two British backpackers. An appeal has been lodged, citing allegations of torture and botched evidence. The **most recent execution was carried out in 2009** when two people were executed<sup>42</sup>.

### 3.8.5 Migration, smuggling and people trafficking

Refugees and migrant workers often fall victim to traffickers, with government officials being complicit or directly involved.

Thailand is a country of origin, destination and transit for **mixed migration flows**. These flows include **Rohingya refugees** fleeing state-sponsored violence in neighbouring Myanmar<sup>43</sup> and **migrant workers**, whose numbers are estimated at three to four million, as well as internally displaced populations from the **conflict in the south**.

These groups are highly vulnerable to trafficking, and there have been reports of complicity amongst the Thai navy and police. Victims of trafficking are **exploited in commercial fishing, fishing-related industries, factories and domestic work**. Thai citizens are also victims of trafficking both internally and to the West and Middle East, including women who are trafficked for sexual exploitation.

Counter-trafficking efforts are hindered by **corruption and official complicity**, as well as a lack of understanding of this crime and how to identify victims<sup>44</sup>, and the prosecution of human rights defenders who expose perpetrators. Victims are penalised and detained and Thai authorities fail to provide them with adequate protection. In some cases officials have profited directly from selling Rohingya people into forced labour<sup>45</sup>.

In 2014, two **American journalists were charged with defamation** for publishing parts of a Reuters report documenting official complicity in trafficking of Rohingya refugees and mass graves (see section 3.8.1 on freedom of speech, media and assembly). The authorities subsequently initiated an investigation into the allegations, resulting in the **arrest of a**

<sup>40</sup> Amnesty international, Death sentences and executions report 2015, <https://www.amnesty.org/en/documents/act50/3487/2016/en/>

<sup>41</sup> Idem

<sup>42</sup> Idem

<sup>43</sup> The Guardian, Thai fishing industry turns to trafficking: 'We witnessed girls being raped again and again', 2015, <http://www.theguardian.com/global-development/video/2015/jul/20/thailand-fishing-industry-rohingya-trafficking-slavery-rape-video>

<sup>44</sup> US Department of State, Trafficking in Persons Report, 2016, <http://www.state.gov/j/tip/rls/tiprpt/>

<sup>45</sup> The Guardian, Thai fishing industry turns to trafficking: 'We witnessed girls being raped again and again', 2015, <http://www.theguardian.com/global-development/video/2015/jul/20/thailand-fishing-industry-rohingya-trafficking-slavery-rape-video>

**Thai general.** However, Human Rights Watch believes the investigations have only scratched the surface<sup>46</sup>, and the prosecutor in charge recently fled Thailand for Australia, citing obstruction of the investigations, death threats and fear for his life after being transferred to an area where criminal groups would easily be able to harm him. He was subsequently threatened with defamation charges by the authorities<sup>47</sup>.

Human trafficking is a problem in Thailand's **commercial sex industry**, with women and children from Thailand, Myanmar, Laos and Vietnam being exploited. Reports indicate official collusion with this practice, including **officials engaging in commercial sex with minors**, using information from interviews to weaken their case and protecting brothels from inspections and raids<sup>48</sup>. Thailand is a country of origin for sex trafficking towards North America, Europe, Africa, Asia and the Middle East, including Israel. Finally, Thailand is also used as a transit country for human traffickers. Victims from China, Myanmar, Bangladesh and Vietnam are taken through Thailand to Malaysia, Indonesia, Singapore, Russia, South Korea, the US, and countries in Western Europe.

Trafficking from, to and within Thailand is a problem linked to the country's sex industry.

### 3.8.6 International obligations

Thailand will undergo a universal periodic review in May 2016, to assess compliance with its international obligations<sup>49</sup>. Thailand has signed or ratified **most of the key international human rights treaties**. Like the EU Member States, Thailand has not signed or ratified the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. Thailand has, however, signed and ratified the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children. Nevertheless, it submitted a reservation that it will not be bound by article 15, paragraph 3 of the Protocol which determines rules for negotiation and arbitration as well as jurisdiction of the International Court of Justice over disputes arising from the obligations under the Protocol.

Thailand has signed or ratified most of the key international human rights treaties.

As a member of the Association of South East Asian Nations (ASEAN) Thailand must promote human rights as one of its goals.

As a member of the **Association of South East Asian Nations (ASEAN)** one of Thailand's goals is the promotion of human rights.

<sup>46</sup> The Guardian, Thai fishing industry turns to trafficking: 'We witnessed girls being raped again and again', 2015, <http://www.theguardian.com/global-development/video/2015/jul/20/thailand-fishing-industry-rohingya-trafficking-slavery-rape-video>

<sup>47</sup> Fortify Rights, EU: Maintain Pressure on Thailand to End Human Trafficking, 2016, <http://www.fortifyrights.org/publication-20160224.html>

<sup>48</sup> US Department of State, Trafficking in Persons Report, 2016

<sup>49</sup> <http://www.ohchr.org/EN/HRBodies/UPR/Pages/UPRSessions.aspx>

## 3.9 Foreign policy

Thailand is one of the four founding members of ASEAN.

The political situation in Thailand has caused a shift in the country's bilateral relations as the junta has reinforced cooperation with partners who are very relaxed about human rights and democracy issues.

The Chinese prime minister, Li Keqiang, was the first leader of a large state to pay an official visit to Thailand after the coup, thereby acknowledging the junta-led government in November 2014.

Thailand is one of the **four founding members of ASEAN**, alongside Indonesia, Malaysia and the Philippines. The association was established in 1967 with the aim of promoting peace and accelerating economic growth. ASEAN is the main pillar of Thailand's foreign policy. The ASEAN free trade area was a Bangkok initiative. The country is ASEAN coordinator for relations with the EU until 2018.

Thailand is a member of the **Mekong River Commission (MRC)**, together with Cambodia, Laos and Vietnam. It is a signatory to the treaty to promote cooperation in use and management of water in the lower Mekong basin. However, in recent years dam-building projects, in particular the controversial Xayabury dam on the Lao border, have caused distrust between the members of the MRC.

The country's political situation has caused a progressive shift in its bilateral relations as the junta has reinforced cooperation with partners who are very relaxed about human rights and democracy issues. The US has highlighted increasing regional fears about China's perceived hegemonic ambitions, particularly among South-East Asian countries with competing territorial claims in the South China Sea. Thailand has no claim in this maritime dispute.

### China

The two countries established diplomatic ties in 1975. During the latter half of the Cold War, they formed a loose military alliance against the Vietnamese communists in Indochina. In the post-Cold War era, bilateral relations remained healthy, probably due to the absence of territorial disputes. There are firm connections between the Thai royal family and Chinese leadership and the integrated Chinese community in Thailand. China is Thailand's largest trading partner and was the first major power to acknowledge the junta. Chinese prime minister Li Keqiang was the first leader of a large state to pay an official visit to Thailand after the coup, thereby acknowledging the junta-led government in November 2014<sup>50</sup>.

On his visit to Thailand, Premier Li Keqiang signed a USD 12.2 billion deal for the construction of a railway line connecting the Chinese city of Kunming with Bangkok. Thai officials however stiffened at China's proposed terms for constructing the rail link, including Chinese

<sup>50</sup> Ministry of Foreign Affairs of the People's Republic of China, Li Keqiang meets with Prime Minister Prayuth Chan-ocha of Thailand, stressing to translate China-Thailand Friendship into Practical Results Benefiting the People, 2014, [http://www.fmprc.gov.cn/mfa\\_eng/topics\\_665678/ytjhzzdsrcldrfzshyxghd/t1209529.shtml](http://www.fmprc.gov.cn/mfa_eng/topics_665678/ytjhzzdsrcldrfzshyxghd/t1209529.shtml)

In July 2015, Bangkok forcibly repatriated over 100 members of the Uighur ethnic minority group to China, where they are likely to face retaliation.

A publisher from Hong Kong disappeared in Thailand and later reappeared on Chinese television to make a public confession.

Two Chinese dissidents disappeared in Thailand in November 2015 and a journalist in January 2016.

Thailand was a loyal political and military ally of the US during the Cold War.

The scale of the annual Cobra Gold military exercise has been reduced.

management, rights to develop land along the 870-kilometre route and a 4 % interest rate on related loans<sup>51</sup>. Initiated in 2010, joint Chinese-Thai military exercises have been taking place regularly.

Additionally, China's burgeoning middle class is providing increased trade and investment opportunities between the two states. In 1995, annual tourist visits from China amounted to 15 000 per year. By 2007, the number of Chinese tourists had increased to nearly one million - surpassing the 700 000 tourists who arrive annually from the US<sup>52</sup>.

Bangkok is so eager to have good relations with Beijing that it did not hesitate in July 2015 to forcibly repatriate, in violation of international law, over one hundred members of the Uighur ethnic minority to China, where they are likely to face retaliation<sup>53</sup>. Additionally, in October 2015 the junta allowed the disappearance on its territory of Hong Kong publisher Gui Minhai, a specialist in books about China's Communist Party, who was on holiday in Thailand. Gui was shown later making a public confession on Chinese television. In November 2015 two Chinese dissidents, Jiang Yefei and Dong Guanping, seeking refuge in Thailand, were sent back to China despite having been recognised as refugees by the UN. More recently, a Chinese journalist called Li Xin disappeared in Thailand in January 2016.

### United States

Thailand was a loyal political and military ally of the US during the Cold War, but since then Thailand has gradually refocused its foreign policy on its own neighbourhood. Washington regards Bangkok as a strategic player in the region and has therefore been eager to carry out exchanges with the Thai military. This has been reflected through the annual Cobra Gold multilateral exercise, in which the two countries have played a leading role since 1982. Cobra Gold now involves more than 20 countries and has become one of the largest military exercises in the region<sup>54</sup>. However, in response to the military coup, Washington reduced the 2015 joint Cobra Gold exercises, limiting manoeuvres to humanitarian missions and naval components reduced by around 20 %. Analysts have speculated that the

<sup>51</sup> Yale Global, Thai Military Coup, 2015, <http://yaleglobal.yale.edu/content/thai-coup-alienates-us-giving-china-new-opening>

<sup>52</sup> Ministry of Foreign Affairs of the People's Republic of China, Li Keqiang meets with Prime Minister Prayuth Chan-ocha of Thailand, stressing to translate China-Thailand Friendship into Practical Results Benefiting the People, 2014, [http://www.fmprc.gov.cn/mfa\\_eng/topics\\_665678/ytjhzzdrsrlcldrfzshyjxghd/t1209529.shtml](http://www.fmprc.gov.cn/mfa_eng/topics_665678/ytjhzzdrsrlcldrfzshyjxghd/t1209529.shtml)

<sup>53</sup> By Chris Buckley and Thomas Fuller: Chinese Journalist Seeking Refuge in Thailand Disappears, 25 January 2016 [http://www.nytimes.com/2016/01/26/world/asia/china-thailand-li-xin.html?\\_r=0](http://www.nytimes.com/2016/01/26/world/asia/china-thailand-li-xin.html?_r=0)

<sup>54</sup> Nikkei Asian Review, Thai plan to buy China subs has US on edge, 2015, <http://asia.nikkei.com/Politics-Economy/International-Relations/Thai-plan-to-buy-China-subs-has-US-on-edge>

The Obama administration has made clear that the US wants democracy and better human rights in the country before it agrees to resume its long-term partnership.

2016 exercises could be cancelled if Thailand is not on the path to democratic elections<sup>55</sup>.

The Obama administration has made clear that the US wants peace, democracy and better human rights in the country before it agrees to resume its long-term partnership. In the meantime, in accordance with American law governing aid to nations where democracy and rights are undermined, the US had given more than USD 4.7 million in security-related assistance to Thailand since the coup<sup>56</sup>.

### **Russia**

Russia's relations with Thailand have flourished.

Russia's relations with Thailand have been flourishing. Russia has delivered helicopters, tanks, counter-terrorism training and security intelligence assistance to the junta-led country. In the last 18 months, General Prime Minister Prayuth has on three occasions met Russian prime minister Dmitry Medvedev, who visited Thailand in April 2015 - the first visit by a Russian prime minister in 25 years. Medvedev suggested that Thailand join the Eurasian Economic Union, joined by Vietnam in 2015. In addition, Thai defence minister General Prawit Wongsuwon visited Moscow in February 2016 to strengthen military links. The secretary of the Security Council of the Russian Federation, Nikolai Patrushev, also paid a visit to Thailand this year and reconvened a meeting of the Working Group on Security. The Russian Ambassador in Thailand stated that Moscow's willingness to support Prime Minister Prayuth Chan-ocha contrasts sharply with the Obama administration's policy<sup>57</sup>.

### **Cambodia**

Relations between Thailand and Cambodia have improved since the border conflict over the Preah Vihear temple was resolved.

For decades, Cambodia and Thailand had been in conflict over the Preah Vihear temple, built in the 11th century on their border. On 11 November 2013, the International Court of Justice reconfirmed the judgement of 1962 that Cambodia had sovereignty over the whole territory of the promontory of Preah Vihear and that Thai military and police forces had to withdraw. Thailand had previously established a joint commission with Cambodia to negotiate joint development plans, but the initiative did not materialise due to the political crisis in Bangkok. Prime minister Hun Sen's excellent relations with former prime minister Thaksin probably contributed to

<sup>55</sup> Yale Global, Thai Military Coup, 2015, <http://yaleglobal.yale.edu/content/thai-coup-alienates-us-giving-china-new-opening>

<sup>56</sup> The Nation, No thaw in Thai-US relations without full democracy, 2015, <http://www.nationmultimedia.com/opinion/No-thaw-in-Thai-US-relations-without-full-democrac-30270249.html>

<sup>57</sup> Washington Times, Russia boosts Thailand's military as U.S steps aside after coup, 2016, <http://www.washingtontimes.com/news/2016/feb/21/russia-boosts-prayuth-chan-ochas-military-in-thail/?page=all>

escalating tensions on the border before Yingluck was elected prime minister<sup>58</sup>. Thousands of Cambodian workers migrate to Thailand every year.

### **Myanmar/Burma relations**

Thailand has long led ASEAN's 'constructive engagement' policy towards Myanmar. Major Thai interests have been at stake since Bangkok relies on gas imports from Myanmar and benefits from logging concessions in the country.

For years Thailand's 2 100km border with Myanmar has been a sanctuary for ethnic minority militias opposed to Yangon. Additionally Thailand faces cross-border drug trafficking and illegal migration from Myanmar. For almost two decades, Thailand has received Burmese refugees, mostly Rohingyas, fleeing violence at home.

### **North Korea**

In 2015 the junta held celebrations to mark the 40th anniversary of diplomatic relations between Thailand and North Korea, with North Korea proposing to open a Thai embassy in its capital to benefit future Thai investors and aid cultural exchange. North Korea also proposed sturdier economic cooperation between the countries. Thai deputy prime minister Wisanu Krue-ngam thanked North Korea for understanding Thailand's political situation and acknowledging the legitimacy of the junta government<sup>59</sup>.

Major Thai interests have been at stake in relations with Myanmar/Burma.

North Korea and Thailand enjoy excellent relations.

## **3.10 Economy**

Despite the political turmoil, the Thai economy shows resilience.

Economic growth recorded a modest 2.8 % increase in 2015.

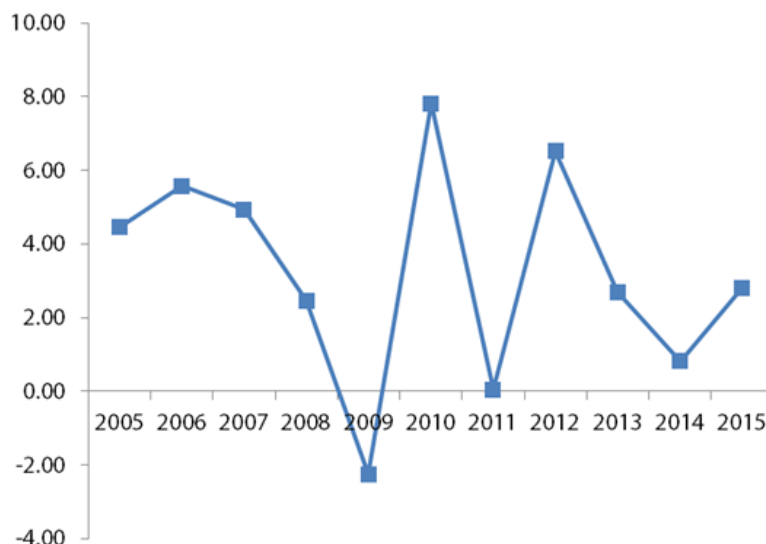
Thailand is the second largest economy in South-East Asia and one of the region's most important destinations for foreign investors and tourism. Its nominal GDP is USD 404.8 billion (2014), about USD 5 780 per capita. Thanks to its economic record, the country has been upgraded to the 'upper-middle income' category in the World Bank country classification.

Despite the Thai economy's record of resilience to external shocks, political crises and natural disasters, the May 2014 coup resulted in a strong economic deceleration. Thai GDP growth slowed down to 0.8 % in 2014 (figure 1). A modest recovery seems to be on the way, as proven by the +2.8 % growth rate estimated for 2015 (IMF WEO 2015 estimate).

<sup>58</sup> The Economist, Thailand and Cambodia, 2013, <http://www.economist.com/blogs/banyan/2013/11/thailand-and-cambodia>

<sup>59</sup> Coconuts Bangkok, Thailand to celebrate close relations with North Korea, 2015, <http://bangkok.coconuts.co/2015/01/08/thailand-celebrate-close-relations-north-korea>

**Figure 1:**  
Thailand's GDP growth rate (%)

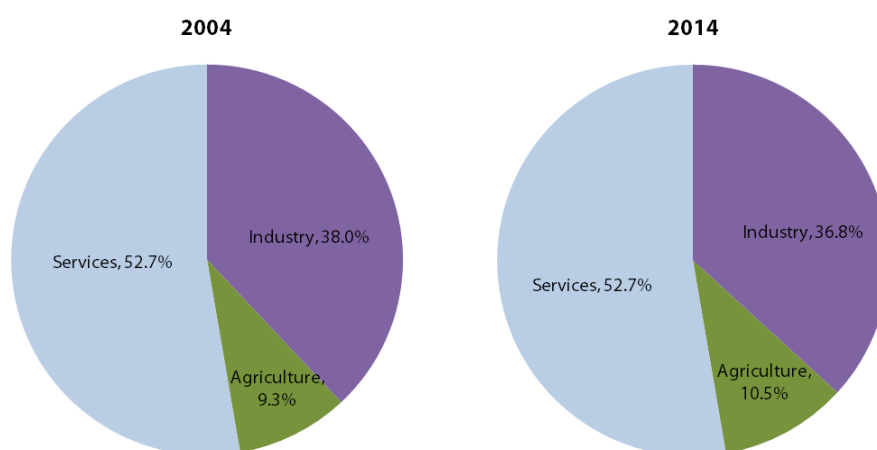


Source: International Financial Statistics, International Monetary Fund

Thailand is an industrialised economy with a fast-growing service sector.

For over forty years, Thailand achieved remarkable economic success, resulting in transition from an agriculture-based to an industrialised economy. The transition meant a sharp decline in the share of GDP originating in the agricultural sector - which now stands at only 10 %. Despite this small proportion, agriculture has been the backbone of economic development in Thailand and still maintains a key role as the prevalent income source for Thai people. Over 25 % of exports come from agriculture, while agricultural imports are negligible. The main engine of growth for Thailand, however, has been the emergence of the manufacturing industry. Nowadays this industry generates no less than 37 % of GDP. Since the late 1990s, Thailand has also grown an important service sector, which now accounts for over 50 % of its GDP (figure 2). The sector is dominated by tourism-related activities.

**Figure 2:**  
Evolution of economic sectors - sector share of value added (%)



Source: World Bank

Services have recovered faster from the 2014 slump. Industrial recovery has been modest, while agriculture is

Recent economic developments have shown the positive role played by the service sector. Services expanded by 5 % in 2015 with tourism making a large contribution to the overall recovery. Tourism-related services have

still sluggish.

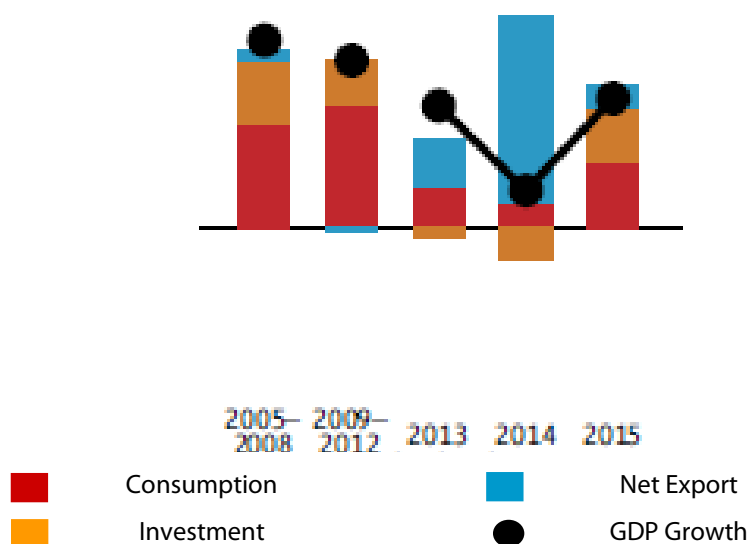
Public investment surged in 2015 after contracting the previous year, boosting recovery in the broader economy.

seen a 20 % increase in tourist arrivals compared to 2014<sup>60</sup>.

Thailand’s industry has also shown modest growth (+2 %), mainly driven by car manufacturing and food processing. Agriculture continued to shrink due to low global commodity prices combined with external shocks in some key sectors (rice, palm oil, and fishing).

The main driver for the recovery however has been public sector investment. The government has revived growth by increasing disbursements for infrastructure development projects (e.g. water management, roads, village and community projects) (Figure 3).

**Figure 3:**  
Thailand’s inflation, consumer price index (annual %)



Source: Havier Analytics; World Bank Staff estimates (World Bank Group 2016)

Domestic demand remains weak.

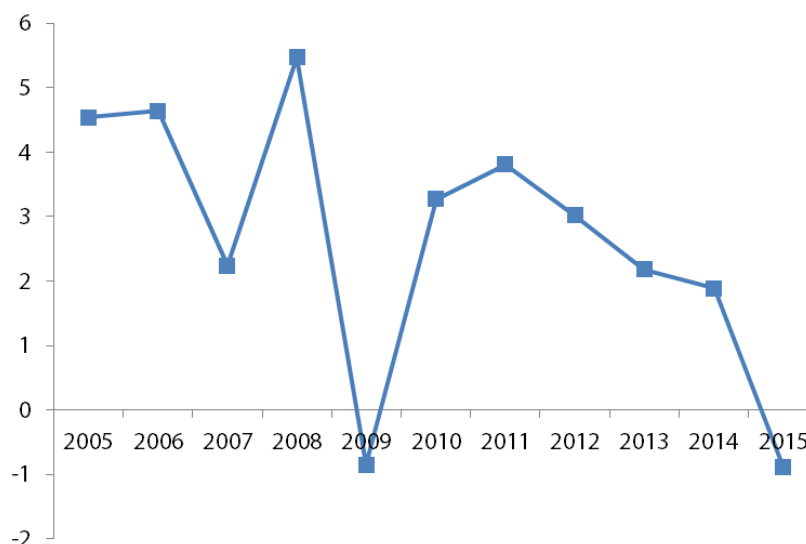
Net exports grew as a result of a fall in imports rather than a rise in exports.

Another factor slowing down the economy in 2014 was the low domestic and external demand. Nevertheless, 2015 gave some modest positive signals. On the domestic side, private consumption grew by 2.1 % from 2014. Net exports also grew more than in previous years. This positive contribution to GDP growth occurred due to a decline in imports of goods and services in real terms, offsetting the export reduction. The dynamics affecting imports reflect the contraction in domestic demand combined with lower commodity prices. In comparison, with regard to exports, higher earnings from tourism compensated for the drop in merchandise exports. As a result, inflation became negative for the first time since September 2009 (figure 4).

<sup>60</sup> Asia Development Bank (ADB), Asian Development Outlook 2016: Asia’s Potential Growth, March 2016.



**Figure 4:**  
Thailand's inflation,  
consumer price index  
(annual %)



Source: World Bank

Prospects for the Thai economy look promising but political stability and investment need to be maintained.

Economic projections for the next years look positive, though modest. The ADB forecasts are 3 % for 2016 and 3.5 % for 2017. This scenario assumes that a stable political climate would be maintained and public infrastructure investments could continue to fuel growth. In particular, public spending could boost investment thanks to the implementation of the transport infrastructure master plan (2015-2022) which comprises the completion of 20 infrastructure development projects in 2016 at a total cost of USD 51 billion<sup>61</sup>.

To ensure a positive economic performance, Thailand should improve its competitiveness and attractiveness. In the Heritage Foundation Index of Economic Freedom, Thailand scored very low on rule of law (property rights, corruption), an important component in determining the attractiveness of a country to foreign investors. In line with this result, Thailand's ranking in the World Bank's 'Ease of Doing Business' indicator has dropped from 46th in 2015 to 49th in 2016 out of 189 countries<sup>62</sup>.

### 3.11 Trade

China and the EU are Thailand's most important trading partners.

Thailand joined the World Trade Organization in 1995. The economy has maintained a high degree of openness to international trade and integration into the world economy. Its trade openness index (the sum of exports plus imports in goods and services over GDP) stood at 131.8 % in 2014.

Thai exports were worth about USD 227.9 billion in 2014, while imports were worth approximately USD 227.5 billion (figure 5). Thailand's major

<sup>61</sup> The projects include motorways, railways, sea ports, expansion of one of Bangkok's international airports, etc.

<sup>62</sup> The World Bank's 'Ease of doing business' indicator ranks economies from 1 to 189, with first place being the best. <http://www.doingbusiness.org/data/exploreconomies/thailand/>

trading partners are China, Japan, the EU and the US. Recently it has intensified its trade and investment ties with Cambodia, Laos, Myanmar and Vietnam.

Thailand is a major global producer and exporter of agricultural products and processed food products.

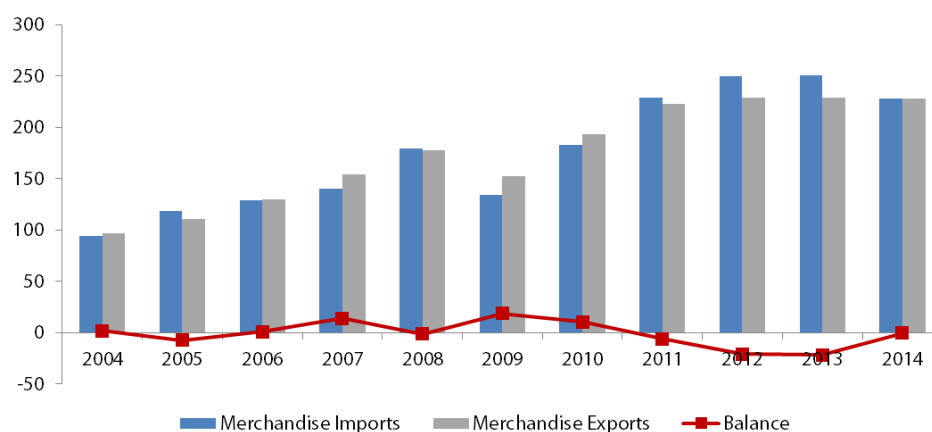
Thailand is a major global producer and exporter of agricultural products and processed food products. Its main exports are rice<sup>63</sup>, fishery products (canned tuna), automobiles and parts, electrical appliances, computers and parts, jewellery and precious stones, etc. Among its main imports are machinery and parts, crude oil, electrical machinery and parts, chemicals, iron and steel and their products, automobile parts and jewellery.

**Figure 5:**  
Thailand's top five trading partners, 2014

Origin of imports				Destination of exports				Trade partners			
#	Origin	EUR million	%	#	Destination	EUR million	%	#	Partner	EUR million	balance
1	China	28 114	16.9	1	China	18 116	11.0	1	China	46 230	-9 998
2	Japan	25 942	15.6	2	USA	17 308	10.5	2	Japan	41 646	-10 238
3	EU 28	14 159	8.5	3	EU 28	16 698	10.2	3	EU 28	30 857	2 539
4	USA	10 722	6.4	4	Japan	15 704	9.6	4	USA	28 031	6 586
5	Malaysia	9 311	5.6	5	Malaysia	9 218	5.6	5	Malaysia	18 529	-93
All imports:		166 373		All exports:		164 326		Balance of trade:		-2 047	

Source: DG Trade, European Commission

**Figure 6:**  
Thailand's merchandise imports and exports in USD billion



Source: World Bank Data Indicators

Thailand's trade regime is characterised by high tariff rates in selected industries, particularly in agriculture. Other trade barriers exist, such as a lack of transparency in customs policy, the use of price controls or import

<sup>63</sup> For a long time (until 2014) Thailand had a price intervention scheme for rice, but now a long-term strategy for the sector still has to be fully determined (WTO Trade Policy Review 2015).

licence requirements in some industries, and poor protection of intellectual property rights<sup>64</sup>.

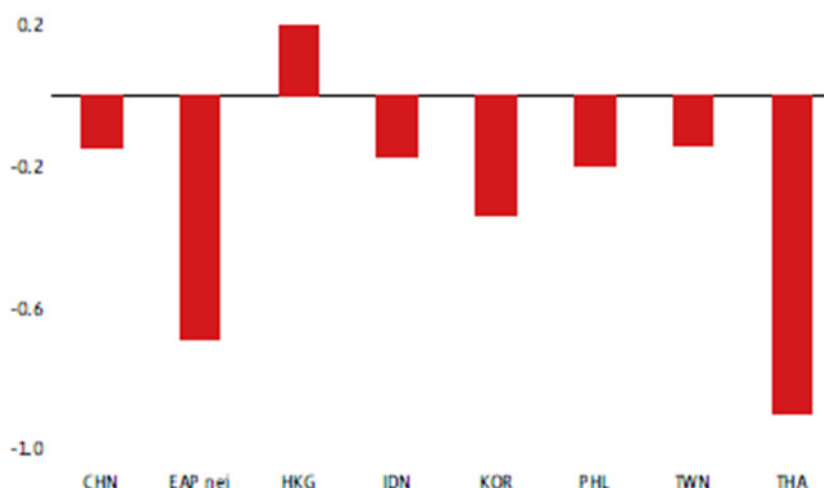
Thailand has also signed up to several regional and bilateral free trade agreements (FTAs). It has trade agreements with Bahrain, China, Australia, Japan, India, and New Zealand. It also initiated negotiations with the United States in 2004, but talks were suspended in 2006 and never resumed. On the other hand, Thailand signed an FTA with Chile and a 'partial-scope' agreement with Peru entered into force.

Thailand has not yet joined the Trans-Pacific Partnership (TPP) agreement, although the US sees the country as a potential partner. Many Thai businesses and civil society members are suspicious of the potential commitments in the field of copyrights and patents, and obligations on non-traditional trade issues such as labour rules and access to medicine. Now the TPP deal has been signed, enhanced competition with TPP member countries is expected, resulting from both a tariff effect (lower tariffs will regulate exchanges among TPP members) and stricter rules on origin for non-TPP members. For Thailand, negative outcomes may materialise in the automotive and transport equipment industries. The estimated loss in GDP could be equal to 0.9 % in the post-TPP implementation scenario forecast by the World Bank Group<sup>65</sup>. This is the highest expected loss among the non-TPP members in Asia (figure 7).

Thailand opted not to join the Transpacific Partnership (TPP) negotiations, but now faces serious risks of trade diversion.

Exclusion from TPP may cost Thailand 0.9 % of its GDP.

**Figure 7:**  
Change in GDP for non-TPP members (%)



Source: Havier Analytics; World Bank Staff estimates (World Bank Group 2016)

Opportunities for Thailand's trade and investment could come from the ASEAN Economic Community (AEC) which was established on 31 December

<sup>64</sup> United States Trade Representative (USTR), '2014 National Trade Estimate Report on Foreign Trade Barriers', 2014, <http://www.ustr.gov/sites/default/files/2014%20NTE%20Report%20on%20FTB%20Thailand.pdf>

<sup>65</sup> World Bank, Growing Challenges, 2014, <https://openknowledge.worldbank.org/bitstream/handle/10986/24015/9781464809064.pdf>

The future looks brighter inside ASEAN as Thailand is on the way to becoming the main logistic hub and gateway for trade and investment in the area.

2015.

Progress has been made with the implementation of the ASEAN Comprehensive Investment Agreement (ACIA) for the liberalisation and protection of cross-border operations and investments. Significant infrastructure developments are already under way to improve connections in South-East Asia through rail and road infrastructure, maritime and air transport. Thailand has further enhanced its role of logistics hub and gateway to trade within ASEAN and overseas.

## 4 The EU and Thailand

### 4.1 Political relations

The EC-ASEAN Agreement of 1980 constitutes the legal framework for relations with Thailand.

The Partnership and Cooperation Agreement (PCA) between the EU and Thailand was initialled in November 2013. On 23 June 2014, the Council adopted conclusions on Thailand stating that: 'Official visits to and from Thailand have been suspended; the EU and its Member States will not sign the Partnership and Cooperation Agreement with Thailand, until a democratically elected government is in place. Other agreements may also be affected'<sup>66</sup>.

### 4.2 EU development cooperation and humanitarian aid

As an upper-middle income country that is able to finance its own development, Thailand ceases to benefit from bilateral EU grants under the Development and Cooperation Instrument (DCI).

As an upper-middle income country that is able to finance its own development, Thailand will no longer benefit from bilateral EU grants under the Development and Cooperation Instrument (DCI). However, under the 'differentiation' approach, the country remains eligible for funds allocated through thematic and regional programmes.

Some 120 000 refugees from Myanmar/Burma are staying in camps along the border. The EU has provided aid in these camps relating to health, education, water sanitation and living conditions, spending over EUR 150 million since the beginning of the refugee crisis in 1995. Of that sum, more than EUR 100 million was channelled through the European Commission's Humanitarian Aid and Civil Protection department (ECHO). During the 2011 floods in Thailand the EU provided EUR 2 million to meet the most urgent needs.

<sup>66</sup> Council of the European Union, Council conclusions on Thailand, 2014, [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/EN/foraff/143330.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/EN/foraff/143330.pdf)

## 4.3 Human rights

The EU has repeatedly urged the regime to respect human rights and has strengthened its engagement with civil society.

The EU has repeatedly called on the regime to **restore the democratic process, respect human rights and stop trying civilians in military courts**. Following the coup the EU increased its **engagement with civil society**, including through regular consultations with civil society to assess the situation of human rights defenders. The delegation also went to several provinces and visited detained students<sup>67</sup>.

The EU runs projects to promote human rights in Thailand. There are 21 projects being implemented under the Non-State Actors and Local Authorities Programme, and a new Programme for Civil Society Organisations running from 2014 through to 2020. The EU Delegation has submitted the indicative allocation for 2014-2017 at EUR 12 million.

The EU is supporting a number of **projects** in 2015-2016. These include:

- EUR 10 000 000 for uprooted people<sup>68</sup>;
- EUR 6 000 000 to enhance the contribution of civil society organisations to governance and development processes (2015)<sup>69</sup>;
- EUR 3 700 000 for a project implemented by the International Labour Organisation focussing on conditions in Thailand's fishing and seafood industry<sup>70</sup>.

The most recent **policy dialogue on human rights between the EU and ASEAN** took place in Brussels in October 2015. Participants discussed, inter alia, human trafficking, corporate social responsibility and freedom of expression. To support the ASEAN human rights bodies and member states in the area of human rights, the EU and ASEAN have created the EU-ASEAN Dialogue Instrument Human Rights Facility<sup>71</sup>.

Another opportunity to raise human rights issues and international obligations with the regime will be the upcoming **universal periodic review**, which will take place in May 2016<sup>72</sup>.

Thailand's upcoming universal periodic review in May 2016 is an opportunity for the EU to raise the issue of human rights.

<sup>67</sup> [EU Annual Report, Human Rights and democracy in the world 2014, http://eeas.europa.eu/human\\_rights/docs/2014-hr-annual-report\\_en.pdf](http://eeas.europa.eu/human_rights/docs/2014-hr-annual-report_en.pdf)

<sup>68</sup> Annex 2 to the European Commission Implementing decision 2015 [https://ec.europa.eu/europeaid/sites/devco/files/aap-financing-asia-regional-annex2-20150813\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/aap-financing-asia-regional-annex2-20150813_en.pdf)

<sup>69</sup> European Commission Work Programme for Grants of the European Union to Thailand 2015, [https://ec.europa.eu/europeaid/sites/devco/files/awp-2015-thailand-deleg\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/awp-2015-thailand-deleg_en.pdf)

<sup>70</sup> ILO, Combatting unacceptable forms of work in the Thai Fishing and Seafood Industry, 2016, [http://www.ilo.org/global/meetings-and-events/regional-meetings/asia/aprm-15/media-centre/WCMS\\_460873/lang-en/index.htm](http://www.ilo.org/global/meetings-and-events/regional-meetings/asia/aprm-15/media-centre/WCMS_460873/lang-en/index.htm)

<sup>71</sup> ASEAN, Readi Dialogue, 2016/17, <http://readi.asean.org/dialogue/>

<sup>72</sup> <http://www.ohchr.org/EN/HRBodies/UPR/Pages/UPRSessions.aspx>

## 4.4 Trade relations

The EU is Thailand's third largest trading partner after China and Japan.

The EU is also the second largest investor in Thailand.

Ranked 24th in the EU's global trading partner list, Thailand is actually the **EU's third largest trading partner in ASEAN**, after Singapore and Malaysia. The EU in turn is Thailand's third largest trading partner after China and Japan. In 2015, the value of Thailand's exports to the EU was EUR 19.5 billion while imports from the EU were worth EUR 13.3 billion, with total trade thus amounting to EUR 32.8 billion.

EU exports to Thailand are dominated by high-tech products including machinery and electrical appliances, pharmaceutical products, vehicles, precious metals and optical instruments. Thailand's key export items include machinery and electrical appliances, foodstuffs, plastics/rubber, vehicles and precious metals/pearls.

The EU is also the second largest investor in Thailand. Its investment stocks in 2011 were EUR 14.07 billion, while cumulative Thai foreign direct investment (FDI) in the EU amounted to EUR 800 million in 2010. The potential for European investment in Thailand is hampered by several obstacles, including the difficult business climate and restrictions on FDI (e.g. foreign ownership limitations, sector-specific regulations, such as in the financial, telecom, logistics, and insurance sectors).

**Figure 9:**  
EU-Thailand trade in goods

	Imports from EU:	Exports to EU:
2015 value	EUR 13 369 million	EUR 19 537 million
2014 value	EUR 12 450 million	EUR 18 538 million
EU rank (for Thailand), 2014	3	3
% Thailand's total, 2014	8.5 %	10.2 %
Thailand's rank (for EU), 2014	28	19
% EU total, 2014	0.7 %	1.1 %

Source: DG Trade, European Commission

The EU's GSP preferences ended in 2015 because of the country's graduation to middle-income country status.

The negotiations for an EU-Thailand FTA launched in 2013 were interrupted after two rounds of negotiations, following the coup. The FTA was intended to boost trade relations between the two countries, and could have been a means for Thailand to partly offset the loss in 2015 of preferential tariffs under the EU's Generalised System of Preferences (GSP). As the EU has concluded an FTA with Vietnam and talks are ongoing with other members in the region, Thailand may see its trade and investment relations with the EU deteriorate unless democracy is restored soon and the FTA negotiations can restart.

## 4.5 EU-Thailand dialogue on illegal, unreported and unregulated fishing

The EU plays a key role in the fight against illegal, unreported and unregulated fishing (IUU).

The IUU Regulation aims to prevent, deter and eliminate illegal, unreported and unregulated fishing.

States must be able to certify the origin of marine and fishery products exported to the EU.

The European Commission can issue yellow and red cards when countries fail to comply with the IUU regulation.

Thailand is a significant exporter of fisheries products to the EU.

The EC identified shortcomings in the Thai fishing industry and issued Thailand with a yellow card on 21 April 2015.

The EU represents about 30 % of the global fish import market and plays a **key role in the fight against illegal, unreported and unregulated fishing (IUU)**.

On 1 January 2010, the EU adopted Council Regulation (EC) NO 1005/2008 to prevent, deter, and eliminate illegal, unreported and unregulated fishing. The regulation applies to all **landings and transshipments** from EU and third-country fishing vessels in EU ports, and all **trade** in marine fishery products to and from the EU. It aims to make sure that illegally-caught fisheries products are not sold on the EU market.

The regulation requires flag states **to certify the origin and legality** of the fish, thereby ensuring the full **traceability** of all marine fishery product trade from and into the EU. When flag states are unable to certify the legality of products in line with international rules, the European Commission begins a **process of cooperation and assistance** to help improve their legal framework and practices. The milestones of this process are the **yellow card** (warning), followed by a **green card** if the issues are resolved or a **red card** if they are not, the latter leading to a trade ban.

In addition to the certification scheme, the IUU Regulation introduces an **EU alert system** to share information on suspected cases of illegal practices between the custom authorities of EU Member States.

Thailand is a significant exporter of fisheries products to the EU. **In 2014** Thai fisheries exports were worth a total of **EUR 4.8 billion**, EUR 575 million of which came to the EU. The main products imported to the EU are canned tuna, tuna loins and aquaculture products.

The EC has identified shortcomings in the Thai fishery industry. This has led to the **pre-identification** of Thailand as a potential non-cooperative country under the IUU Regulation. The country received a **yellow card on 21 April 2015**.

The **main shortcomings** were:

- **Obsolete legal framework**, not in line with Thailand's international obligations.
- **Incomplete legal provisions** to follow up on **infringements** and **lack of dissuasive sanctions**.
- **Lack of collaboration between** the department of fisheries and other **authorities** as well as with **third-country flag states** landing into Thailand.
- **Lack of control in terms of the registration, licensing and remote tracking of vessels (VMS):** the active fishing fleet was about 42 500 vessels, 30 % of which were not legally licensed.
- **Poor monitoring, surveillance and traceability systems** for

controlling products destined for the EU market.

- **Forced labour and trafficking in persons (TIP)** linked with IUU fishing activities (on board fishing vessels and within the seafood industry).

The Thai fishing industry is a major employer of slave labour.

The **Thai fishing industry is a major employer of slave labour**, including victims of trafficking who are subject to beatings, torture, murder and forced to spend years at sea. The use of migrant labour (90 % of workers are migrants) and the prevalence of illegal, unreported and unregulated (IUU) fishing encourage this practice. It is allowed to continue due to a combination of insufficient government inspections and the depletion of stocks, which forces fishermen to rely on cheap labour, go further out and stay longer at sea, resulting in increased work hours and exploitation.

The EU is pressurising the Thai authorities to comply with international standards for the fishing industry.

In 2015 the **European Commission issued a yellow card** to Thailand's authorities to pressure them to make changes with a view to ensuring the social and environmental sustainability of the industry. If they fail to do so, an import ban could be imposed. Subsequently, the regime has taken **legislative steps** towards complying with international standards in the country's fishing and seafood industry. These include registration of migrant workers in fishing vessels and the processing industry; reinforced inter-agency inspections; application of sanctions and prohibition of workers under the age of 18 in the seafood industry.

However, **further enforcement is needed** as inspections are erratic and crew transfers often take place on sea to avoid inspections<sup>73</sup>. Furthermore, the measures do not include a reform of the legislation which requires migrants to undergo a burdensome and expensive registration process, making them vulnerable to bonded labour by brokers and traffickers. Nor does it change existing legislation prohibiting migrant workers from forming or serving in the leadership of trade unions<sup>74</sup>.

Human rights NGOs published an open letter in 2016 asking the EU to extend Thailand's yellow card.

Shortly after the EC visit, Human Rights Watch and 26 other **NGOs published an open letter** to the EU on 25 February 2016 urging it to **extend the yellow card designation** (and consider issuing a red card after six months) while demanding tangible results and consistent efforts, especially on enforcement<sup>75</sup>. Members of the European Parliament have also addressed the Commission on the issue of trafficking in the Thai seafood industry<sup>76</sup> and stressed the need to ensure respect for human rights in the FTA negotiations (suspended in the meantime)<sup>77</sup>.

<sup>73</sup> Euractiv: Slavery and trafficking continue in Thai fishing industry, claim activists, 25 February 2016

<sup>74</sup> [Human right Watch \(Et al.\), Joint Letter on Thailand to EU Commissioner for Fisheries, Maritime Affairs and Environment, 2016](#)

<sup>75</sup> Idem

<sup>76</sup> European Parliament, 2016, <http://www.europarl.europa.eu/sides/getDoc.do?type=WQ&reference=E-2016-001911&format=XML&language=EN>

<sup>77</sup> European Parliament, 2015, [Question: E-015721-15](#)



The Thai authorities and the EC agreed to update Thailand's legal framework.

The Thai authorities and the EC agreed, as a first step, to update Thailand's legal framework. On 3 November 2015, Thailand's government adopted the new Royal Ordinance on Fisheries. On the same date, the Cabinet adopted a national action plan to prevent, deter and eliminate illegal, unreported and unregulated fishing.

New rules are being drawn up to tackle IUU and major human rights infringements in the Thai seafood industry.

For the new legal framework to be fully enforceable, the adoption of 91 implementing rules is needed. A new law (or 'Royal Ordinance') was drafted with the close support of the EC Directorate-General for Maritime Affairs and Fisheries (MARE). It was based on international applicable standards and represented a significant step forward to tackle and deter not only IUU fishing activities but also issues related to trafficking in persons and forced labour in the seafood industry.

A new national plan for controls and inspections in the seafood industry has been put in place.

The new Royal Ordinance addresses, for the first time, key issues including the empowerment of the competent authorities, the establishment of a framework for full traceability of fisheries products, the identification of serious infringements and the establishment of a proportional and deterrent sanction scheme. Moreover, it extends the scope of the legal framework to fight trafficking in persons and forced labour crimes in the fishing industry.

Thailand has agreed to increase the number of inspectors. Following EC guidance, **Thai authorities have adopted a national plan of control and inspection**, but its traceability system remains weak and unreliable. The administration has committed to work on a new traceability scheme involving all agencies and the private sector, called the traceability and catch certification.

Improving working conditions in the seafood industry has become a crucial element in the dialogue between the EU and Thailand.

The improvement of **working conditions** in the seafood industry has become a crucial element in the dialogue between the EU and Thailand. In September 2015, a report from the International Labour Organization (ILO) and the Asia Foundation revealed the **hazardous working conditions of children** in the seafood industry, in particular in the shrimp trade<sup>78</sup>. The seafood industry requires around **250 000 foreign workers** on board fishing vessels and in processing plants on land. The labour law and legal framework in the fishing industry are not consistent. The legal framework does not actually allow for foreign workers to be socially integrated, professionally trained or gain stable employment.

Several European Commission departments are working with the Thai authorities to revise the immigration and labour

The Thai authorities agreed to cooperate actively with the Commission services to **revise the immigration and employment rules**. In this regard, various Commission services are collaborating on human trafficking and human rights issues in Thailand, with the European External Action Service (EEAS) taking the lead on political negotiations with the country, and the EC's Directorate-General for Development Cooperation (DEVCO) initiating

<sup>78</sup> New study of migrant and child labour in the Thai seafood industry, 14 September 2015 [http://www.ilo.org/asia/info/public/pr/WCMS\\_402371/lang--en/index.htm](http://www.ilo.org/asia/info/public/pr/WCMS_402371/lang--en/index.htm).

rules in order to combat human trafficking.

programmes to provide funding. The ILO is also working in the field to evaluate the situation of forced labour in seafood supply chains. Following the EU's suggestions, measures introducing better working conditions for migrants in the seafood sector have been gradually adopted since November 2015.

## 4.6 Outlook and policy options

Thailand is potentially a close ally for the EU in South-East Asia.

Thailand is potentially a close ally for the EU in South-East Asia. Trade relations so far remain close and investment levels high. There are some 200 000 EU citizens residing permanently in the country, while close to five million tourists visit from the EU every year. Since 2015, Thailand has been the ASEAN country coordinator for relations with the EU.

The EP has been following developments in Thailand closely.

The European Parliament has been following developments in Thailand closely, as shown by its resolutions and parliamentary questions concerning human rights and democracy in the country, and the EU's relations with Thailand<sup>79</sup>.

MEPs could point to a number of areas where improvements are needed before the PCA can be finalised and the FTA negotiations can restart.

The EP delegation for relations with South-East Asia can seize the opportunity of its visit to Thailand and use Parliament's enhanced scrutiny powers to draw attention to the following requirements for further EU engagement with the country and for unfreezing both the partnership and cooperation agreement and negotiations on a free trade agreement:

- the urgent restoration of the **legitimate democratic process** and the constitution through credible and inclusive elections;
- the development of a **comprehensive and constructive dialogue** between the EU and the Thai authorities, focussing on democratic governance, rule of law, human rights — notably freedom of expression, the rights of migrant workers and the fight against human trafficking, in particular of Rohingya refugees;
- abolition of the **death penalty**, given that over two-thirds of the world's countries have chosen not to apply capital punishment and that the evidence shows that it has no deterrent effect;
- the release of the British human rights activist **Andy Hall**, who has been charged with criminal defamation in Thailand after researching a report containing allegations of labour abuses by Thai enterprise the Natural Fruit Company;
- monitoring of the fishing industry and the government's commitments in the context of the fight against **illegal, unreported and unregulated fishing, poor labour conditions, slavery and human trafficking** and the warning given by the European Commission to

<sup>79</sup> European Parliament, Questions: [E-001911-16](#); [E-015721-15](#); [E-000438-16](#); [E-015712-15](#) (answer: [E-015712/2015](#)); [E-013379-15](#) (answer: [E-013379/2015](#));

Thailand in the form of a yellow card in 2015.

## 5 Basic data on Thailand

People and geography			
<b>Population</b>	2015	67 223 000 (est.)	Source: UN
<b>Capital city</b>	Bangkok	9 098 000	Source: UN
<b>Total land area</b>	513 120 km <sup>2</sup>		Source: UN
<b>Religions</b>	Buddhism	93.6 %	Source: UN
	Islam	4.94 %	Source: UN
	Christianity	1.2 %	Source: UN
<b>Ethnicities</b>	Thai	95.9 %	Source: CIA World Factbook
	Burmese	2 %	Source: CIA World Factbook
	Other	1.3 %	Source: CIA World Factbook
<b>Languages</b>	Thai (90.7 %)	principal language	Source: UN
	Burmese (1.3 %)	spoken by a large minority	Source: UN
<b>Life expectancy at birth</b>	77.7 years (women) 71.0 years (men)	2010-2015	Source: UN
<b>Literacy rate</b>	96.67 %	2015	Source: Unesco
Rankings			
Name of index	Ranking	Explanation and source	
<b>Human Development Index</b>	'High' 93 / 188	United Nations Development Programme, 2015	
<b>World Press Freedom Index</b>	139/ 180	Reporters Without Borders, 2015	
<b>Freedom in the World</b>	'Not free' political score: 6/7	Freedom House, 2016 (1 = most free and 7 = least)	
Economic and social indicators			
<b>Real GDP Growth</b>	2015	2.8 % (est.)	Source: World Bank
<b>Inflation</b>	2015	-0.9 %	Source: World Bank
<b>Debt (% of GDP)</b>	2015	40.3 % (est.)	Source: World Bank
<b>Poverty rate</b>	2015	(USD 1.9/day) 0.0 % (USD 3.1/day) 0.7 %	Source: World Bank

## 6 Map of Thailand



Map No. 3853 Rev. 2 UNITED NATIONS  
July 2009

Department of Field Support  
Cartographic Section

Source: United Nations, Dag Hammarskjöld Library