

**TRADE AND ECONOMIC COOPERATION AGREEMENT
BETWEEN
THE GOVERNMENT OF THE KINGDOM OF THAILAND
AND
THE ROYAL GOVERNMENT OF BHUTAN**

The Government of the Kingdom of Thailand and the Royal Government of Bhutan, hereinafter jointly referred to collectively as the "Parties" and in the singular as the "Party";

INSPIRED by the traditional links of friendship and the cordial relations, which exist between the Kingdom of Thailand and the Kingdom of Bhutan;

RECOGNISING each other as a potential trade and economic partner;

DESIRING to strengthen and further develop trade and economic cooperation between the Parties on the principles of equality and the mutual benefits;

HAVING regard to the provision of Article I on Trade, Commerce and Investment of the Comprehensive Framework Agreement for Cooperation between the Kingdom of Bhutan and the Kingdom of Thailand;

Have agreed as follows:

Article I

The Parties shall, in accordance with their national laws and regulations, take appropriate measures to promote, facilitate, and develop trade and economic cooperation between the two countries on a long-term and stable basis.

Article II

Nothing in this Agreement shall be regarded as obliging a Party to extend to the other Party:

- a) Advantages and preferences granted by either of the Parties to its neighboring countries for the purpose of facilitating cross-border trade and cross-border traffic;
- b) Advantages and preferences granted to third countries in connection with participation in present or the future of either Party in customs unions, free trade zones or other forms of economic and trade cooperation;
- c) Trade measures, including Tariff Rate Quota (TRQ), which either Party may take in order to meet its obligations under the provisions of WTO and/or other International agreements.

Article III

The Parties, in accordance with their national laws and regulations, shall encourage and facilitate contacts between their natural and juridical persons, inter alia, through exchange of visits of delegations and businessmen, participation in trade fairs and exhibitions organized in both countries, and sharing of business information.

Article IV

Each Party shall exempt, in accordance with its national laws and regulations in force in its respective country, the following goods from duties, taxes, and/or other duties upon their importation subject to re-exportation:

- a) Samples of merchandise, fit only to be used as such and of no commercial value;
- b) Articles imported for repair purposes;
- c) Tools and equipments for building and construction, development work and other temporary activities;
- d) Articles temporarily imported intended for public exhibitions.

Article V

The import and export of goods and services shall take place on the basis of the provisions of contracts to be concluded between the natural and juridical persons of both Parties in accordance with their national laws and regulations, and International trade practices. Neither of the Parties shall be responsible for liabilities of natural or juridical persons arising from such commercial contracts.

Article VI

All commercial payments between the Parties shall be made in freely-usable International currencies in accordance with national laws and regulations in their respective countries, unless otherwise specially agreed upon between the Parties.

Article VII

The Parties, on the basis of mutual benefits, shall explore and where applicable undertake cooperation projects, including but not limited to the areas of tourism, construction, small and medium enterprises, health and medical care, education, energy and logistic services.

Article VIII

In order to facilitate the implementation of this Agreement, the Parties have agreed to establish a Joint Trade Committee, comprising the representatives to be designated by respective Parties. The functions of the Joint Trade Committee shall include:

- a) Reviewing the implementation of this Agreement;
- b) Exploring opportunities for increasing and diversifying mutual trade and economic relations between the Parties;
- c) Considering and adopting appropriate measures for the development of a dynamic bilateral trade.

The Joint Trade Committee shall be co-chaired by the Minister of Commerce of the Government of the Kingdom of Thailand and the Minister of Economic Affairs of the Royal Government of Bhutan.

The Joint Trade Committee shall meet at least once a year at a mutually convenient time and place agreed by the Parties, or upon request by either of the Parties.

Article IX

Any problem arising from the interpretation and/or implementation of provisions of this Agreement shall be amicably resolved through consultations between the Parties.

Article X

Upon mutual agreement of the Parties, any revision or amendments may be made to this Agreement in writing, which shall constitute an integral part of this Agreement.

Article XI

Nothing in this agreement shall prevent any Party from taking action and adopting measures for the protection of its national security or the protection of articles of artistic, historic and archaeological value or such other measure which it deems necessary for the protection of public morals or for the protection of human, animal or plant life, health and conservation of exhaustible natural resources.

Article XII

This Agreement shall come into force on the date of receiving the last written notification of the fulfillment of the Parties of their

necessary internal procedures for the entry into force of this Agreement.

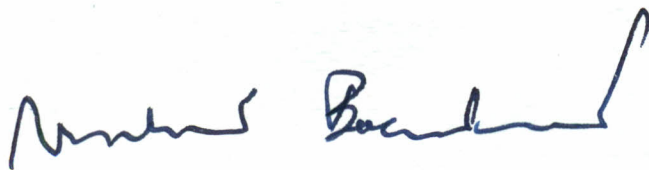
The Agreement shall remain in force for a period of 5 (five) years and thereafter shall be automatically renewed for periods of one year each, unless either Party notifies the other in writing of its intention to terminate this Agreement at least six months before its expiry.

The termination of this Agreement shall not affect the validity and duration of any arrangements and/or contracts made under this Agreement prior to its termination until the completion of such arrangements and/or contracts.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have jointly signed this Agreement.

DONE in duplicate in the English language at Bangkok, Thailand on this 14th Day of November 2013.

**FOR THE GOVERNMENT
OF THE KINGDOM OF THAILAND**



**(NIWATTUMRONG BOONGSONGPAISAN)
MINISTER
MINISTRY OF COMMERCE**

**FOR THE ROYAL
GOVERNMENT OF BHUTAN**



**(LYONPO NORBU WANGCHUK)
MINISTER
MINISTRY OF ECONOMIC AFFAIRS**