



LDRAC RECOMMENDATION ABOUT **THE FUTURE FREE TRADE AGREEMENT BETWEEN THE EU AND THAILAND RE TUNA**

Status: approved by the Executive Committee

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The official launch of the negotiation for a **Free Trade Agreement between the EU and Thailand** was held on March 6th, 2013, and this will suppose the beginning of the negotiations between both parties on May 27th, 2013.

Thailand is the first world's largest producer and exporter of canned tuna Thailand is the largest supplier of canned tuna to the EU, even without enjoying duty-free access¹, exceeding in volume the EU imports from other countries that enjoy a duty -free access to the EU market as beneficiaries of the GSP + and EPAs². s.

In the case of tuna, this strong position of Thailand is reinforced by its **strategic location**, close to the raw material, and by its belonging to the **ASEAN region**, that consists of the main world fishing and processing tuna operators.

For tuna , Thailand competitive advantages is due to its low production costs, which are, in many documented cases, linked to poor social and environmental production conditions.

It is important to mention that, **as beneficiary of the general arrangement of the GSP of the EU, Thailand will not receive tariff preferences granted by this system³ for the exports of preparations of fish and seafood to the EU**, in which canned tuna and tuna preparations are included, since it is demonstrated the **competitiveness of Thailand in this sector** and, therefore, it is not necessary to grant tariff preferences for its exports to the EU (GSP graduation mechanism).

LDRAC members strongly feel that, the European Commission should, in the negotiation of any Free Trade Agreement with Third Countries, ensure the FTA will support sustainable fish trade, by, inter alia, promoting the ratification and implementation by these countries, , of the **27**

³ Tariff reduction of 3.5% (general arrangement of the GPS).

international conventions on human rights, labor rights, environment and governance matters, that are demanded to the countries to be considered beneficiaries of the GSP +. Currently, Thailand has not ratified the entirety of these conventions.

This is crucial to guarantee that imports of tuna products from Thailand are coming from environmentally and socially sustainable sources. This will also enable the creation of a level playing field with those EU producers who abide by strict environmental and social regulations.

Therefore, a Free Trade Agreement with Thailand that liberalizes totally or partially canned tuna, and tuna preparations, without promoting good environmental and social production conditions in Thailand, will have a negative impact on the promotion of sustainable fisheries at global level. It will also negatively affect the EU sector that abides by strict conditions in these domains, causing social and economic damages, a destruction of employment, especially, in regions highly dependent on fishing.

In the scope of the negotiations of the Free Trade Agreement (FTA) between the European Union and Thailand, **LDRAC would like to request the following:**

- including in the agreement **chapters related to the effective ratification, implementation and fulfilment of the international conventions in social, labour, governance and environmental matters, in line with what is requested from countries that want to benefit of the GSP+ should fulfil.**
- Introduce efficient mechanisms to ensure social and environmental production conditions are monitored and improved, through appropriate support.
- To consider the special sensibility of the EU tuna sector, and
- To make conditional the Agreement to the strict fulfilment of the EU Regulation and International Conventions, ensuring the monitoring and control.