



# Trade Sustainability Impact Assessment (SIA) in support of Free Trade Agreement (FTA) negotiations between the EU and Thailand:

Draft Inception Report

January 2026

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Contact: [First name Last name]

E-mail: [...]@ec.europa.eu (functional e-mail if existing, or)  
[First name.Last name]@ec.europa.eu

European Commission  
B-1049 Brussels

# **Trade Sustainability Impact Assessment (SIA) in support of Free Trade Agreement (FTA) negotiations between the EU and Thailand:**

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## Abstract

In March 2013, negotiations started for a bilateral Free Trade Agreement (FTA) between the European Union (EU) and the Kingdom of Thailand (Thailand). They were put on hold in 2014. In March 2023, following an exploratory process, the EU and Thailand announced the relaunch of FTA negotiations. In line with a well-established EU practice, the European Commission requested a study to be conducted during the ongoing negotiations, which would analyse potential impacts of the agreement.

The study is being conducted by Milieu Consulting, in cooperation with the consulting arm of the London School of Economics and Political Science (LSE Consulting) and Tutwa Europe and supported by the Thailand Development Research Institute (TDRI). It will analyse potential economic, social, environmental, and human rights-related effects of the agreement, for the EU and its Member States on the one hand, and the Kingdom of Thailand, on the other. The general part of the analysis will be complemented by case studies and followed by conclusions and recommendations. Moreover, desk research will be accompanied by a wide stakeholder consultation programme.

This inception report presents the scope and objectives of the study, methodology proposed for each part of the analysis, approach to selection and conducting case studies, the stakeholder engagement strategy, and outputs for all stages of the study, with a related timeline.

## Executive summary

### Introduction

The European Union and the Kingdom of Thailand maintain a long-standing trade relationship underpinned by their mutual commitment to a rules-based international order and shared membership in the World Trade Organization, the International Labour Organization and others. Thailand ranks as the second-largest economy in the Association of Southeast Asian Nations and holds the position of the EU's fourth most significant trading partner within the bloc. Conversely, the EU occupies the role of Thailand's fourth-largest trading partner globally. Following the pause in the negotiations in 2014, the EU and Thailand announced the relaunch of Free Trade Agreement negotiations in March 2023. Since the relaunch, seven negotiation rounds have occurred, with the latest taking place in the second half of 2025, and eight chapters have already been provisionally concluded.

### Sustainability impact assessment

In support of these negotiations, the European Commission has commissioned a Sustainability Impact Assessment (SIA) to analyse the potential economic, social, environmental, and human rights effects of the future agreement. This study is conducted by Milieu Consulting, in cooperation with LSE Consulting and Tutwa Europe, and supported by the Thailand Development Research Institute. The assessment aims to feed information into the negotiations, assess likely changes, identify trade-offs, and ensure policy choices are optimised to support sustainable development. The study follows a three-phase structure: an inception phase to establish methodology, an interim phase for core analysis and stakeholder consultation, and a final phase for formulating recommendations and conclusions.

### Methodological approach

The study applies a consistent four-step approach across all sustainability areas, the economic, social, environmental and human rights analysis: developing a baseline scenario, creating a heat map to identify priority areas, analysing potential impacts using Computable General Equilibrium modelling and qualitative assessments, and formulating policy recommendations.

The economic analysis will establish a baseline for trade in goods and services, identifying key sectors and trading patterns. It includes a quantitative examination of existing tariff regimes and an evaluation of investment barriers, such as foreign equity caps under Thailand's Foreign Business Act as well as Sanitary and Phytosanitary Measures, Technical Barriers to Trade and market access for public procurement. Wider economic impacts on GDP, welfare, and government revenue will be estimated. Furthermore, the analysis covers cross-cutting issues, including impacts on Least Developed Countries, the EU's Outermost Regions, Small and Medium-sized Enterprises, and consumers.

The social analysis focuses on employment, wages, poverty, and inequality, establishing a baseline using socio-economic indicators and addressing the prevalence of informal employment in Thailand. It examines adherence to international labour standards. The impact assessment will combine Computable General Equilibrium modelling results with qualitative research on trade-labour linkages, paying particular attention to vulnerable populations including migrant workers, women, and indigenous people.

The environmental analysis assesses trade-linked pressures across key areas such as greenhouse gas emissions, air quality, waste management, and biodiversity. It interprets impacts through scale, structural, technological, and product effects, while examining environmental governance and the implementation of Multilateral Environmental Agreements.

The human rights analysis evaluates how the agreement may affect the enjoyment of human rights, based on a screening of relevant negotiation texts and international instruments. Key issues identified for assessment include forced labour, indigenous

peoples' rights, the right to privacy, and freedom of expression. The analysis will pay special attention to vulnerable groups including migrant workers and persons with disabilities.

### **Case studies**

The agricultural sectoral analysis includes two focused case studies, namely sugar and rice to provide in-depth insights into specific areas of the trade relationship. Additionally, two cases studies focus on the tuna and the automotive sectors, including a specific focus on the electric vehicle segment. These will allow to analyse the effects of tariff liberalisation and non-tariff barrier reductions on trade and investment.

### **Consultation strategy**

The study employs a comprehensive consultation strategy to engage stakeholders in the EU and Thailand. The consultation process utilises a range of specific tools including an online public consultation open to all stakeholders, a targeted business survey, and in-depth interviews and focus groups with key stakeholders such as NGOs, social partners and businesses. Additionally, the strategy includes Civil Society Dialogue meetings in Brussels and a dedicated stakeholder workshop to be held in Thailand. Digital outreach tools, including a dedicated website and social media channels, are used to disseminate information and gather feedback throughout the study.

### **Workplan and timeline**

Following this Inception Report, the interim phase will deliver a sustainability heat map in January 2026 and draft chapters of the final report in February 2026. The final phase will conclude with the submission of the final report in September 2026, which will contain the complete impact analysis, stakeholder consultation outcomes, and policy recommendations.

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## List of abbreviations

AI	Artificial intelligence
AME	Average marginal effect
ASEAN	Association of Southeast Asian Nations
CAB	Conformity Assessment Body
CEDAW	Convention on the Elimination of all Forms of Discrimination against Women
CGE	Computable General Equilibrium
CSD	Civil Society Dialogue
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CSDD	Corporate Sustainability Due Diligence Directive
CSO	Civil Society Organisation
CSR	Corporate Social Responsibility
CSRD	Corporate Sustainability Reporting Directive
DG Trade	European Commission Directorate-General for Trade
EABC	European Association for Business and Commerce
EBA	Everything But Arms
EIGE	European Institute for Gender Equality
EBOPSC	Extended Balance of Payments Services Classification
ESCAP	United Nations Economic and Social Commission for Asia and the Pacific
EU	European Union
EV	Equivalent Variations
EV	Electric Vehicle
FBA	Foreign Business Act
FDI	Foreign Direct Investment
FLR	Forced Labour Regulation
FRA	European Union Agency for Fundamental Rights
FTA	Free Trade Agreement
GHG	Greenhouse Gas
GPA	Government Procurement Agreement

HRIA	Human Rights Impact Assessment
HS	Harmonised System
ILO	International Labour Organization
ISSG	Inter-Service Steering Group
IMF	International Monetary Fund
KILM	Key Indicators of the Labour Market
LDC	Least Developed Countries
LSE	London School of Economics
MEA	Multilateral Environmental Agreement
MFN	Most-Favoured Nation
MSME	Micro, Small and Medium-sized Enterprise
NGO	Non-Governmental Organisation
NSO	National Statistics Office
NTM	Non-Tariff Measures
OPC	Open Public Consultation
OR	Outermost regions
PDPA	Personal Data Protection Act
PDPC	Personal Data Protection Committee
PIP	Poverty and Inequality Platform
PPP	Purchasing Power Parities
RBC	Responsible Business Conduct
RCEP	Regional Comprehensive Economic Partnership
RoO	Rules of Origin
SDG	Sustainable Development Goal
SIA	Sustainable Impact Assessment
SME	Small and Medium-Sized Enterprise
SOE	State-owned Enterprise
SPS	Sanitary and Phytosanitary
TBT	Technical Barriers to Trade
Thailand	Kingdom of Thailand

TDRI	Thailand Development Research Institute
TIID	Trade, Investment and Innovation Division
TSD	Trade and Sustainable Development
UNCTAD	United Nations Conference on Trade and Development
UNCRPD	United Nations Convention on the Rights of Persons with Disabilities
UNECE	United Nations Economic Commission for Europe
UNESCO	United Nations Educational, Scientific and Cultural Organization
WHO	World Health Organization
WTO	World Trade Organization

# 1. Introduction

This chapter provides an overview of the background to the Sustainability Impact Assessment (SIA) of the potential Free Trade Agreement (FTA) between the European Union (EU) and the Kingdom of Thailand (Thailand). It sets out the study's objectives and scope, describes the methodological approach adopted, and identifies the limitations of the research process.

## 1.1. Study context

The European Union and Thailand maintain a long-standing and multifaceted trade relationship underpinned by their mutual commitment to a rules-based international order and shared membership in the World Trade Organization (WTO), to which Thailand acceded in 1995. Thailand is a key partner of the EU in the Indo-Pacific region and one of the eleven members of the Association of Southeast Asian Nations (ASEAN). Within ASEAN, Thailand ranks as the second-largest economy by GDP and holds the position of the EU's fourth most significant trading partner. From a broader global perspective, Thailand is the EU's 25th largest trading partner, while the EU occupies the role of Thailand's fourth-largest trading partner, following China, the United States, and Japan. In 2023, trade between the two economies accounted for 7.1 percent of Thailand's total international trade, underscoring the importance of the EU as a commercial counterpart.

The political framework guiding EU-Thailand trade relations has undergone several phases. Negotiations for an EU-Thailand FTA began in March 2013 but were put on hold in 2014 following a military takeover in Thailand. In 2017 and 2019, in light of Thailand's progress on democratisation, the Council of the EU adopted conclusions endorsing a strategy of gradual re-engagement.<sup>1 2</sup> The 2021 EU Strategy for Cooperation in the Indo-Pacific reaffirmed the EU's strategic interest in reviving negotiations.<sup>3</sup>

In March 2023, following an exploratory process, the EU and Thailand jointly announced the relaunch of FTA negotiations. Since then, there have been seven rounds of negotiations, the latest one took place in the second half of 2025. Thus far, eight out of the expected 27 chapters have already been provisionally concluded. These are Good Regulatory Practices, Transparency, Customs and Trade Facilitation, Sustainable Food Systems, Trade and Sustainable Development (TSD), SMEs, Technical Barriers to Trade (TBT), Capital Movements, as well as several sections in the Trade in Services and Investment Chapter (such as domestic regulation, international maritime transport, telecommunications, financial services).

The Sustainability Impact Assessment (SIA) serves as a specialised instrument employed by DG Trade to support ongoing trade negotiations.<sup>4</sup> Anchored in the findings of Computable General Equilibrium (CGE) modelling, the SIA comprises detailed chapters that build on the screening and modelling results to investigate in depth those areas in which the agreement is expected to have the largest impact, including potential unintended effects. Furthermore,

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<sup>1</sup> Council of the European Union (2017). *Thailand: Council adopts conclusions*. Press release, 11 December 2017. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2017/12/11/thailand-council-adopts-conclusions/> [Accessed 8 May 2025].

<sup>2</sup> Council of the European Union (2019). *Thailand: EU to broaden its engagement following elections*. Press release, 14 October 2019. Available at: <https://www.consilium.europa.eu/en/press/press-releases/2019/10/14/thailand-eu-to-broaden-its-engagement-following-elections/> [Accessed 8 May 2025]

<sup>3</sup> European Commission and High Representative of the Union for Foreign Affairs and Security Policy (2021). *The EU strategy for cooperation in the Indo-Pacific*. Joint Communication to the European Parliament and the Council, JOIN(2021) 24 final, Brussels, 16 September 2021.

<sup>4</sup> Directorate-General for Trade & Economic Security. Sustainability Impact Assessments. Available at: [https://policy.trade.ec.europa.eu/analysis-and-assessment/sustainability-impact-assessments\\_en](https://policy.trade.ec.europa.eu/analysis-and-assessment/sustainability-impact-assessments_en)

the process provides a platform for stakeholders within the EU and Thailand to convey their perspectives to the negotiating teams. The objectives of the SIA include supplying data to guide the negotiation process, evaluating potential shifts resulting from the agreement, pinpointing necessary trade-offs, and optimising policy decisions. Ultimately, the mechanism fosters trade negotiations that are robust, transparent, and grounded in evidence.

## 1.2. Inception phase scope

The SIA is structured to ensure a comprehensive approach to evidence collection, analysis, and the delivery of key findings, in line with the tender specifications and the structure of the deliverables. It consists of an inception phase followed by the interim phase and the final phase.

The inception phase, which this report covers, encompasses the refinement of the project's methodology, the development of tailored data collection tools, such as questionnaires, and supporting activities, including literature review and desk research. The inception phase establishes the foundation for the methodology, research and analysis. Moving forward, this report will serve as a guide to the discussion for the project team leading to the next phases and the interim report, to be followed by a final Report. The interim phase will involve the start of the pivotal analytical tasks of the SIA, which will be built upon the findings of the inception phase. This will include the stakeholder consultation activities as well as the integration of information from the literature review and computable general equilibrium (CGE) model into the analysis of impacts. During the final phase, the consultation activities will be completed, and the analysis will be finalised. The focus of this phase of the project will be to triangulate the data gathered in the previous phases, and to formulate recommendations and conclusions as well as to carry out case studies. The findings from the final phase will form the final delivery of the project.

The SIA methodology relies on a number of tasks, which are not always sequential. For example, initial tasks based on literature review and desk research will be carried out at the beginning, but they will also represent a crucial tool at later stages of the project. The tasks that were carried out in the inception phase are briefly described below before the results of these tasks are presented in subsequent sections of the report.

The literature review is based on systemic research of the literature up to the present and focused on studies evaluating the economic, social, environmental, and human rights impacts of free trade agreements. Special consideration was given to studies, such as other SIAs and impact evaluations, with a focus on the Asia-Pacific region, as well as the utilisation of CGE models, specifically covering the past 5 to 10 years. In order to identify methodological strengths, gaps and good practices, the literature review also includes the review of recent EU SIAs from a methodological perspective. The results of the literature review are presented in Annexes 2, 4, 6, and 8.

Another element of the inception phase was the initial research on cross-cutting issues and methodological considerations relevant to the sustainability impacts of the EU-Thailand FTA. The cross-cutting issues encompass Least Developed Countries (LDC), the EU's outermost regions, small and medium-sized enterprises (SMEs), consumers, and Corporate Social Responsibility/Responsible business conduct, and how they intersect with the areas of the economic, environmental, social, and human rights. They were examined in greater detail as part of the study's broader qualitative and quantitative framework.

A crucial part of the inception phase was the preliminary screening of economic, social, environmental and human rights impacts. The results of this screening form the first step in identifying the key topics for the sectoral analysis. They will provide the structure of the areas to cover during the core analysis in the interim phase. They will also feed directly into the production of the heat map during the interim phase.

Based on the findings from these steps, the methodology was fine-tuned, adapting the methodological tools to the needs of the analysis. Additionally, the work plan was finalised. In parallel to the methodological fine-tuning (see Section 2), the stakeholder strategy was refined, which covers the definition of clear objectives and scope of the consultation, updating the database by identifying the principal stakeholders or stakeholder groups, the description of the stakeholder consultation tools, and an outline of the proposed consultation process and timeline as well as a preliminary risk and mitigation strategy. The core objectives of the stakeholder consultation are i) to actively engage with all affected and interested parties in order to reflect their experience, priorities and concerns related to the FTA, ii) to contribute to the transparency, quality, legitimacy and credibility of the SIA analysis, and iii) to help identify priority areas and key issues relating to the possible economic, social, environmental and human rights impacts. The consultation activities will begin after publication of this report.

Finally, a dedicated website (see: <https://euthailandsia.org/>) was created that provides information on the progress of work and allows interaction with civil society and all other relevant stakeholders. The website includes a specific feedback mechanism, an easily accessible summary on the stage of the SIA process, a search function and all appropriate SIA-related information including all final reports after finalisation, as well as an introductory paragraph in all official EU languages explaining the scope and objective of the SIA. The website will be updated at least every two weeks since creation until the end of the contract, and it will remain active for at least two years after the date of approval of the final report. All meetings with civil society will be appropriately announced on the SIA website.

### 1.3. Inception phase objectives

The inception phase serves multiple purposes. The first is to establish the methodological foundation for the entire study. This involves defining the specific analytical approach, including the mix of quantitative and qualitative methods, models, and data sources to be used. Secondly, it aims to conduct a preliminary analysis of the agreement's context. This includes a preliminary screening and scoping exercise to identify the key economic, social, human rights, and environmental issues that are likely to be significant. Next, it seeks to identify sectors for detailed review based on the initial screening. This ensures the subsequent, more in-depth analysis is focused on the sectors expected to be most impacted by the trade agreement. The fourth objective is to refine the stakeholder consultation plan. This involves identifying a list of key stakeholders in both the EU and Thailand and outlining the methods for engagement, such as workshops and questionnaires.

The final two objectives relate to this report, specifically its preparation and its role in informing subsequent work through feedback. The inception report is the main deliverable of the inception phase and summarises all the findings and proposals from the work conducted. The report also serves to gather initial feedback from the European Commission and civil society stakeholders. The consultation on this inception report is crucial for refining the methodological approach and scope before the main analytical work of the interim phase commences. Its presentation at Civil Society Dialogue (CSD) also ensures the engagement of EU civil society from an early stage in the project.

## 2. Methodological approach

The economic, social, environmental, and human rights analyses in this SIA, that are detailed in the subsequent subsections, integrate inputs gathered through stakeholder consultations and follow the same approach:

**Step 1: Developing the baseline scenario.** We will establish a baseline by analysing recent trends in trade, investment and production in the EU and Thailand, and the main structural factors influencing them. This will provide the reference point against which the potential effects of the future EU–Thailand FTA are assessed.

**Step 2: Developing a heat map (priority matrix).** An heat map will identify the most relevant sectors, measures and cross-cutting issues by combining quantitative indicators with qualitative evidence from existing studies and initial stakeholder input. This will guide the selection of priority areas for detailed analysis.

**Step 3: Analysing the potential impacts of the FTA.** The potential impacts of the FTA on the whole economy and at the sectoral level will be examined using the CGE model provided by DG TRADE, complemented where appropriate by other quantitative and qualitative sources. The CGE model is a tool to simulate how economies respond to policy changes based on set scenarios. The main advantage of the CGE model is that it captures economy-wide effects instead of only focussing on individual sectors. Additionally, it captures inter- and intra-industry foreign trade links.<sup>5</sup> The results of which are consistent due to the underlying assumptions being internally consistent.<sup>6</sup> A disadvantage of the CGE model is that it relies on strong assumptions, which may simplify reality.<sup>7</sup> Additionally, CGE models generally do not take into account dynamic feedback processes, such as the effects on domestic and international competition, knowledge spillover, technological spill-overs, increased innovation, and changes in domestic governance structures that encourage entrepreneurial opportunities and innovative behaviour.<sup>8</sup> The focus of the CGE model will be on changes in GDP, trade, output, employment and welfare. While the CGE model will provide a broad quantification of impacts, we will complement it with in-depth desk research and qualitative analysis to capture dimensions the model cannot fully reflect.

**Step 4: Formulating conclusions and recommendations.** The findings from these steps will be synthesised into concise conclusions and policy recommendations, including proposals for flanking measures to maximise positive impacts and mitigate potential negative effects for specific sectors, regions and groups.

### 2.1. Economic analysis

The economic analysis in this SIA follows the common four-step approach applied across all relevant subsections and will integrate inputs gathered through stakeholder

<sup>5</sup> Böhlinger, C. and A. Löschel (2004), "Measuring Sustainable Development: The Use of Computable General Equilibrium Models," ZEW Discussion Papers, No. 04-14, Zentrum für Europäische Wirtschaftsforschung (ZEW), Mannheim, p. 8. <ftp://ftp.zew.de/pub/zew-docs/dp/dp0414.pdf>; "Computable General Equilibrium modelling: introduction", Chief Economist Directorate of the Scottish Government, 6 January 2026, <https://www.gov.scot/publications/cge-modelling-introduction/>.

<sup>6</sup> Hertel, T. And W., Keeney, R. (2006). „Distributional Effects of WTO Agricultural Reforms in Rich and Poor Countries”, World Bank Research Working Paper 4060, Washington DC, p. 5. <https://documents1.worldbank.org/curated/en/959591468142476543/pdf/wps4060.pdf>

<sup>7</sup> Hertel, T. And W., Keeney, R. (2006). „Distributional Effects of WTO Agricultural Reforms in Rich and Poor Countries”, World Bank Research Working Paper 4060, Washington DC, p. 9. <https://documents1.worldbank.org/curated/en/959591468142476543/pdf/wps4060.pdf>; Taylor, Lance and R. von Arnim (2006), "Modelling the Impact of Trade Liberalization. A Critique of Computable General Equilibrium Models", Oxfam Research Report, New York, p. 4.

<sup>8</sup> Moisé, E. and S. Rubínová (2021), "Sustainability impact assessments of free trade agreements: A critical review", OECD Trade Policy Papers, No. 255, OECD Publishing, Paris, p. 33, <https://doi.org/10.1787/65b1a07e-en>.

consultations. A list of the indicators that will be used in the the economic analysis, along with their description and sources, can be found in Annex 2.

### 2.1.1. Trade in goods and services

The analysis of trade in goods and services between the EU and Thailand will follow the four main steps set out for the economic pillar of the SIA, adapted to the specific characteristics of the bilateral relationship. First, a descriptive statistical baseline will be developed. For goods, this will include an examination of recent trends in EU–Thailand exports, imports and trade balances, both at the aggregate level and by sector, using various harmonised system (HS) level product aggregations. The analysis will identify key trading partners and benchmark the position of the EU and Thailand in each other’s trade. For services, the baseline will describe bilateral trade flows by main service categories, using Extended Balance of Payments Services Classification (EBOPS) 2010 or a comparable classification, and, to the extent data permit, by modes of supply. Particular attention will be paid to sectors highlighted in the proposal in particular professional and business services, financial services and insurance, telecommunications and digital services, tourism and travel services, transport and logistics, construction and environmental services. Particular attention will also be paid to those with strong participation in global value chains, such as Financial and Insurance Services, Telecommunications and Digital Services or Transport and Logistic Services.

In a second step, elements from this baseline that appear economically significant or sensitive will be prioritised and incorporated into an economic “heat map”.

Third, the results of the CGE modelling provided by the European Commission will be used to assess the potential impacts of the future EU–Thailand FTA on trade in goods and services and on key macroeconomic indicators. The analysis will interpret model outputs on GDP, aggregate and bilateral trade flows, sectoral output, prices and employment, with a view to identifying which sectors in goods and services are expected to expand or contract, and how this relates to the baseline structure of bilateral trade. Where feasible, model results will also be used to shed light on changes in trade in global value chain-intensive sectors and on the contribution of the FTA to supply chain diversification.

Finally, drawing on the baseline analysis, the heat map, and the CGE results, the study will formulate conclusions and policy recommendations, including, where appropriate, proposals for flanking measures to enhance the positive impacts of increased trade in goods and services and to mitigate potential negative effects on specific sectors, regions or groups of operators.

### 2.1.2. Analysis of existing tariff regimes

The analysis of tariff regimes will establish a robust baseline for the assessment of the economic effects of the future EU–Thailand FTA. It will begin with a review of the current legal basis governing tariffs between the EU and Thailand, including the multilateral framework (WTO commitments and bound rates) and the applied MFN regimes on both sides. This overview will clarify the absence of bilateral tariff preferences in the baseline and will describe, where relevant, any existing unilateral preference schemes or sector-specific arrangements that influence the effective tariff incidence on bilateral trade.

Main trade defence instruments currently affecting EU–Thailand trade in goods will also be mapped, in particular anti-dumping and countervailing duties. These measures will be treated separately from MFN tariffs but considered in order to understand the overall level of border protection that applies to specific products and sectors, and to identify areas where the FTA may interact with or influence the future use of trade remedies.

The core of the tariff analysis will consist of a quantitative examination of the applied MFN rate structure. Simple average applied MFN tariffs will be calculated for the EU and Thailand, at the aggregate level and for broad product groups, as well as for sectors of

particular interest for the SIA. To complement this, trade-weighted average tariffs will be presented using recent bilateral trade flows, providing an indication of the average tariff effectively faced by exporters in each direction. The distribution of tariff lines by tariff band will be used to identify tariff peaks.

This assessment will be informed by recent tariff data as well as stakeholder input. The Project Team will also review Thailand's investment liberalisation offers in other FTAs, particularly its Regional Comprehensive Economic Partnership (RCEP) as well as relevant ASEAN+ and bilateral FTAs to inform EU negotiations.

### 2.1.3. Investment barriers and opportunities

Foreign direct investment (FDI) is a cornerstone of EU–Thailand economic relations, with the EU being the third-largest investor in Thailand, representing around 10% of total FDI stock in the country (as of 2023). At the same time, the EU is the second-largest destination for Thai outward FDI, accounting for nearly 14% of Thailand's total foreign investment abroad (as of 2023).

The analysis will begin with establishing the baseline in FDI stocks and flows between the two regions, relying on FDI sources such as data from the United Nations Conference on Trade and Development (UNCTAD) or Organisation for Economic Co-operation and Development (OECD). Then the Project Team will evaluate the investment climate and the role of the FTA in addressing key constraints, including:

- Foreign equity caps: Thailand's Foreign Business Act (FBA) limits foreign ownership in a wide range of sectors, including construction, logistics, retail, telecommunications, and certain professional services. Investment liberalisation under the FTA could mirror or exceed concessions made to other trading partners, such as Australia (100% ownership permitted in 30+ services sectors).
- Complex licensing procedures and opaque approvals: Many investments require case-by-case approval from the Foreign Business Committee, with procedures lacking predictability and transparency. This discourages new entrants and increases compliance costs for EU firms.
- Unclear investment screening mechanisms: While Thailand does not have a formal FDI screening law, discretionary enforcement and lack of clear criteria create uncertainty. The Project Team will assess the feasibility of including investment protection and transparency clauses aligned with EU standards.
- Sectoral investment restrictions: Beyond the FBA, sector-specific regulations – for example in insurance, telecommunications, transport, and energy – impose additional limits or conditions. The Project Team will examine how the FTA could create a more level playing field, particularly where state-owned enterprises (SOEs) and domestic champions enjoy preferential treatment.

This assessment will be informed by OECD FDI restrictiveness data as well as stakeholder input. The Project Team will also review Thailand's investment liberalisation offers in other FTAs, particularly its RCEP, ASEAN+ and bilateral FTAs, to gauge the room for improvement in EU negotiations.

### 2.1.4. Public procurement

Public procurement constitutes an important channel through which the EU–Thailand FTA could affect trade and investment, competition, and value for money in public spending. The analysis will therefore consider how the agreement might change market access conditions for EU and Thai suppliers and the corresponding economic impacts. In line with previous SIAs, the starting point will be a concise description of the current procurement regimes on both sides, including the legal and institutional framework, EU's commitments under the

WTO Government Procurement Agreement (GPA) and other FTAs, coverage of entities, goods, services and construction, and the role of horizontal policy objectives (for example SME promotion or local-content preferences).

Building on this baseline, a primarily qualitative assessment that links the mapped legal framework and current market access conditions to the FTA's likely commitments (scope of coverage, thresholds, transparency and procedural rules) will be performed. Drawing on desk research, stakeholder consultations and available case studies from other EU FTAs, this option would identify sectors and types of contracts where EU and Thai firms, including SMEs, could gain new opportunities or face stronger competition, and discuss possible budgetary and efficiency effects.

### 2.1.5. Non-tariff measures (NTMs)

Non-tariff measures (NTMs) will be analysed as key determinants of trade costs and market access in the EU–Thailand relationship, complementing the tariff analysis. From an economic perspective, NTMs can significantly influence firms' ability to enter and compete in foreign markets, and in some sectors, they represent a more important constraint than tariffs. Understanding their nature, incidence and potential reduction under the FTA is therefore essential to assess how the agreement may affect bilateral trade flows, sectoral adjustment and the overall gains from trade.

The analysis will begin with the development of a baseline that maps the current NTM landscape affecting EU–Thailand trade. For goods, this will cover sanitary and phytosanitary (SPS) measures, technical barriers to trade (TBT), customs and trade facilitation procedures, rules of origin (RoO) and origin procedures, licensing requirements and quantitative restrictions. Where relevant, services will also be identified. The study will summarise the existing legal and institutional framework on both sides, including the RoO regimes applicable to EU–Thailand trade, their documentary requirements, verification practices and appeal mechanisms. This mapping will combine desk research with information from existing databases, reports and literature, including the EU's Access2Markets and related instruments, the WTO I-TIP database for goods and services, and the OECD Services Trade Restrictiveness Index for services-related NTMs, as well as targeted stakeholder input. On this basis, the study will develop a qualitative and, where possible, quantitative diagnostic of the level and nature of NTMs and their likely impact on trade costs in different sectors.

Findings from the NTM baseline will then be integrated into the heat map, which will highlight the most economically significant NTMs and sectors. This will involve combining information on NTM restrictiveness, including ad valorem equivalents where available, with bilateral trade patterns to identify sectors and measures where NTMs generate particularly high trade costs or uncertainty for operators. Plausible changes in NTMs under the FTA will be reflected in the CGE modelling through reductions in trade costs, differentiated by sector and type of measure where feasible. The model results will then be used to assess how reductions in NTMs, including simplification of RoO and customs procedures, may affect bilateral trade flows, sectoral output and overall economic welfare. Finally, the analysis will conclude with a prioritised list of NTMs, assessed in terms of their economic relevance and sensitivity, and will formulate recommendations on which measures should receive particular attention in the negotiation process and, where appropriate, in accompanying flanking measures.

### 2.1.6. Wider economic impacts (budget, welfare, etc.)

The analysis of wider economic impacts will be based primarily on the results from the CGE modelling, which will provide estimates of the potential effects of the FTA on prices, fiscal revenues (including tariff revenues foregone), income and welfare in the EU and Thailand. Model outputs on government revenues will allow an assessment of changes in tariff and indirect tax receipts, as well as the extent to which any revenue losses from tariff cuts may

be offset by higher tax bases resulting from increased economic activity. On this basis, the study will propose targeted policy measures to maximise wider economic benefits and protect fiscal sustainability where necessary.

### 2.1.7. Impacts on LDCs and other third countries (cross-cutting issue)

The SIA will also examine potential external spillover effects of an EU–Thailand FTA on third countries, with a focus on developing countries and LDCs. As agreed upon, this will include LDCs. These countries already benefit from duty-free access to the EU under Everything But Arms (EBA), but enhanced trade liberalisation arising from an EU–Thailand FTA may nevertheless alter relative competitiveness and lead to trade diversion in products such as rice or sugar. Understanding these effects is essential for assessing the FTA's implications for the EU's commitment on Policy Coherence for Development aimed at taking into account impacts on LDCs. If Thailand gains improved access for similar products, those LDCs could face preference erosion. To quantify this, the Project Team will use the CGE model's output for regions/countries beyond the EU and Thailand, examining changes in export volumes or GDP for the relevant third countries.

Where the CGE lacks granularity, the Project Team will supplement with a qualitative assessment: reviewing existing literature on FTA spillovers and considering factors like rules of origin. The Project Team will also consult stakeholders such as development NGOs and regional experts to gather views on likely impacts for the identified countries. In the reporting, the Project Team will highlight any significant findings, for example if an LDC stands to lose market share in a particular commodity, and discuss possible mitigation strategies (e.g. development assistance, flexible rules of origin, or transitional periods) to ensure the FTA supports sustainable development goals. This analytical step ensures that our economic analysis is comprehensive and forward-looking, identifying not just bilateral effects but also broader implications.

### 2.1.8. Impact on EU's outermost regions (cross-cutting issue)

While the economic modelling does not explicitly capture the EU's outermost regions (ORs), the FTA's potential implications for these territories will be assessed using both qualitative and quantitative sources. Attention will be paid to sectors where ORs have export interests that may overlap with Thailand's, specifically bananas, sugar and rum. The analysis will also consider possible competitive pressures and supply chain shifts resulting from enhanced Thai market access, identifying sectors or regions that may require support or transitional measures.

Where data permit, the SIA will assess these effects using product-level trade statistics and price developments, complemented by targeted consultations with OR stakeholders (producer organisations and other interested parties). The results will feed into the overall assessment of social and regional cohesion impacts within the EU and inform any recommendations or flanking measures to mitigate potential negative effects on the outermost regions.

### 2.1.9. SME (cross-cutting issue)

The analysis of impacts on SME will be an integral component of the economic assessment, in line with the EU's Better Regulation guidelines, the SME Test and SIA best practices. The study will first develop a quantitative and qualitative baseline of SME participation in EU–Thailand trade, examining trends in SME exports and imports, their sectoral specialisation, and key factors influencing their competitiveness. This will include an assessment of current tariff and non-tariff barriers particularly relevant for smaller firms, such as tariffs on SME-intensive product groups, complex rules of origin and customs procedures, technical regulations and standards, SPS requirements, and regulatory and

administrative costs of compliance. On this basis, the study will identify the main challenges that currently prevent SMEs from trading or from fully benefiting from existing market opportunities for both regions.

Building on the baseline, the CGE results will be interpreted through an explicit “SME lens”. Although the model does not distinguish firms by size, sector-level results on output, trade and prices will be combined with information on the SME share in production and trade to infer indicative tariff-related and non-tariff-related impacts on SMEs in key sectors. The analysis will examine, for example, how tariff reductions may open new export opportunities for Thai SMEs in sectors such as food processing or textiles, or how increased competition may affect smaller EU firms in specific product lines. It will also assess the potential effects of reductions in non-tariff measures and of specific FTA provisions that are particularly relevant for SMEs, including rules of origin and customs and trade facilitation, TBT and SPS provisions, public procurement disciplines, digital trade rules, and intellectual property. Targeted consultations with SME associations and other stakeholders will be used to validate and refine these findings, and to identify disproportionate obstacles and capacity constraints faced by SMEs. The results will inform targeted recommendations and flanking measures to ensure that the FTA supports SME participation in trade and inclusive economic benefits.

### 2.1.10. Consumers (cross-cutting issue)

On the consumer side, the Project Team will evaluate how the FTA might affect consumer welfare, prices, and choices in both the EU and Thailand. The CGE’s estimated changes in consumer prices and real income will be a primary input here. Typically, trade liberalization is expected to benefit consumers through lower prices and increased variety of goods. The Project Team will verify this by checking modelled price changes for key consumer product categories (including food items, electronics, and apparel) and translating those into implications for household budgets. The Project Team will also consider qualitative aspects of consumer impact: for example, will the FTA uphold standards or safety for products that benefit consumers? Are there any concerns about products that may become more available? Are vulnerable consumers disproportionately affected by the potential impacts of the FTA? The Project Team plans to utilize the Consumer Checklist from the Better Regulation Toolbox to systematically examine consumer impacts. This means addressing questions of affordability, product quality, and consumer protection in the context of the FTA – following the approach adopted in other recent SIAs where consumer impacts were explicitly charted.

## 2.2. Social analysis

Better understanding the social effects of trade agreements has been a key objective of EU trade policymakers over the past two decades. The Commission’s communication on the implementation and enforcement of Trade and Sustainable Development (TSD)<sup>9</sup> not only attests to the importance of this objective but also underlines that the potential social and environmental benefits of trade agreements depend as much on the negotiating outcomes pertaining to tariffs and non-tariff barriers as on the institutional framework under which TSD provisions are implemented and enforced. These factors make the use of mixed methods – combining quantitative and qualitative methods – of utmost importance in assessing the potential impact of an EU-Thailand FTA. They also require in-depth knowledge of Thailand’s

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<sup>9</sup> European Commission (2022), “The power of trade partnerships: together for green and just economic growth,” available from: <https://circabc.europa.eu/ui/group/8a31feb6-d901-421f-a607-ebbdd7d59ca0/library/8c5821b3-2b18-43a1-b791-2df56b673900/details>

economy and society to provide a more granular picture of the direct and indirect social effects resulting from trade liberalization.

This section will be divided into two subsections: 1) the baseline will provide an overview of the current socio-economic situation in Thailand and the EU, outlining the scope of analysis for the next subsection; 2) the social impact assessment will assess the potential effects of the EU-Thailand FTA under consideration. The analysis will further integrate inputs gathered through stakeholder consultations.

## Baseline

The baseline will first provide a comprehensive analysis of socio-economic indicators and recent labour trends in Thailand and the EU, with a focus on employment (both formal and informal), wages, poverty and income inequality. When possible, these indicators will be disaggregated by gender, age, bearing in mind regional disparities, and more specifically the rural/urban divide and, in the case of Thailand, the central role of Bangkok in the economy. Here, we will rely on the use of longitudinal data from a variety of internationally recognised sources, including the ILO, including its supervisory mechanism, the World Bank's Poverty and Inequality Platform (PIP) using 2017 Purchasing Power Parities (PPP), IMF; the National Statistics Office (NSO) of Thailand and Eurostat and OECD data for the EU. Our analysis of the Thai labour market will shed light on its specificities, namely the importance of informal forms of employment, estimated at more than half of the labor force by the NSO,<sup>10</sup> as well as its sectoral and regional disparities.<sup>11</sup> The informal sector is reported to be especially strong in rural and less developed regions in the Northeast due to gaps in infrastructure and access and disproportionately affect youth and older people.<sup>12</sup> Additionally, the team will rely on the ILO's Key Indicators of the Labour Market (9<sup>th</sup> edition of KILM, especially KILM 8 on employment in the informal economy) to provide a nuanced and gender-specific picture of recent trends in informality in the region.

Our team of researchers will complement this fine-grained socio-economic analysis with an in-depth assessment of current welfare and employment policies and regulations directly and indirectly affecting social indicators, with a focus on national reforms. This will include, among others, the implementation of Thailand's 2017 State Welfare Card, an unconditional cash transfer and its impact on poverty, as well as regional initiatives such as ILO formalisation programs in the region.<sup>13</sup> Our analysis will draw from reports from international organisations (e.g. the ILO's NATLEX database on labour and employment legislation), independent studies (academic and policy reports) and government agencies. To connect this socio-economic picture with international trade, the baseline will review recent academic, government and industry publications assessing the employment and wage record of trade and investment agreements in the region,<sup>14</sup> with an emphasis on the 2022 RCEP . The consideration of these recent trends in the baseline will complement the structural trends analysed as part of the CGE modelling.

<sup>10</sup> The ILO's latest household survey puts the pre-pandemic percentage of informal employment (2018) at 65%. Likewise, the World Bank estimates that this rate stayed at 65% between 2018 and 2021. Sasiwimon Warunsiri Paweenawat (2023), "Gender and Informal Work in Thailand," Gender in Informal Employment Knowledge Management note 5, World Bank, available from: <https://documents.banquemondiale.org/fr/publication/documents-reports/documentdetail/099506009112325206>

<sup>11</sup> International Labour Organization (2022), ILOSTAT, available from: <https://ilostat.ilo.org/topics/informality/>

<sup>12</sup> Bangkok Bank, Thailand's Invisible Backbone: The Untold Story of Informal Workers, 2025, □HYPERLINK "https://www.bangkokbank.com/th-TH/-/media/adc03b6edef84231bb2965e38df01694.ashx" <https://www.bangkokbank.com/th-TH/-/media/adc03b6edef84231bb2965e38df01694.ashx>

<sup>13</sup> ILO (2025), "Innovative approaches to formalization in Asia and the Pacific: Background report to ILO Asia and the Pacific Tripartite Regional Knowledge Sharing Forum," available from: <https://www.ilo.org/sites/default/files/2025-04/INNOVATIVE-APPROACHES-FORMALIZATION-ROAP-2025.PDF>

<sup>14</sup> As of 2025, Thailand has signed 15 FTAs with 18 countries, the latest being the EFTA-Thailand FTA signed in January 2025.

In parallel with these economic and political trends in the region, the second focus of the baseline will be on adherence to and enforcement of international labour standards in Thailand and to a lesser extent, the EU. This includes the 1998 Declaration of fundamental principles and rights at work, amended in June 2022 with the inclusion of a safe and healthy working environment (Conventions 155 and 187). Thailand has ratified 7 out of 10 fundamental ILO Conventions, but has not ratified the ILO Fundamental Conventions on freedom of association (C087) and collective bargaining (C098). Trade unions are concerned about their rights: Thailand imposes restrictions on union formation and the right to strike in certain sectors, and limits protections against anti-union discrimination.<sup>15</sup> In addition, Thailand has not ratified the Occupational Safety and Health Convention (C155) which, like the Promotional Framework for Occupational Safety and Health Convention (C187), was added to the ILO's list of fundamental instruments. Furthermore, the prevalence of informal employment among Thailand's 40 million workers means that the enforcement of ILO Conventions on the ground are often put to the test, including conventions on forced labor (C029 and C105) (e.g. in the fishing, shrimp, animal feed and clothing industries) and child labor (C138 and C182) (most prevalent in the services, agricultural and clothing sectors).<sup>16</sup> The prevalence of child and forced labour will be discussed in light of the Thai government's recent policies (including its ratification of ILO Convention C188 on Work in fishing). In close coordination with the human rights analysis, we will distinguish Thailand's *de jure* and *de facto* adherence to Fundamental Conventions and beyond, examining a selection of indicators from the Decent Work Agenda and its four pillars (employment creation, social protection, rights at work, and social dialogue) and a discussion of the ratification and implementation of the Governance (Priority) Conventions, including the state of play of labour inspections in Thailand.<sup>17</sup> The enforcement of ILO conventions on the ground is of particular importance because of the European Commission's strong commitment to binding labour provisions in trade agreements.

The team will rely on the following official sources: 1) national and regional/subnational data from Thailand's NSO; 2) statistical indicators from the ILOSTAT database; 3) qualitative data from NORMLEX documenting cases from the ILO Committee of Experts on the application of conventions; 4) ILO monitoring reports on specific issues (child labor, informal employment etc.) in Thailand or the Asia-Pacific region.

**Table 1** offers a sample of indicators to assess labour standards.

**Table 1. Sample of labour indicators and monitoring agencies**

Labour issues	International conventions	Sample indicators	Monitoring Agencies/Sources
Freedom of association, right to organize and collective bargaining	ILO conventions 87, 98	Trade Union density; Collective bargaining coverage	ILOSTAT + ILO supervisory mechanism reports (CAS and CEACR especially)
Forced labour	ILO conventions 29, 105 and protocol 29	Privately imposed forced labour; Total forced labour	ILO (Forced Labour Observatory) + ILO supervisory mechanism

<sup>15</sup> International Labour Organization (2020), "Endline research findings on fishers and seafood workers in Thailand," available from:

[https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms\\_738042.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_738042.pdf); U.S. Department of Labor, Bureau of International Labor Affairs (2023), "Child Labor and Forced Labor Reports: Thailand", available from <https://www.trade.gov/country-commercial-guides/thailand-trade-agreements>

<sup>16</sup> Ibid. See also, ILO (2015), "Migrant and Child Labor in Thailand's Shrimp and Other Seafood Supply Chains,"

<sup>17</sup> Thailand has not ratified Labour Inspection Convention no. 81 nor Labour (Agriculture) Inspection Convention no. 129.

Labour issues	International conventions	Sample indicators	Monitoring Agencies/Sources
			reports (CAS and CEACR especially)
Child labour	ILO conventions 138, 182	Child labour (Proportion of children engaged in economic activity (%))	ILO (ILOSDG), UNICEF + ILO supervisory mechanism reports (CAS and CEACR especially)
Non-discrimination	ILO conventions 100, 111	Labour force participation by sex; Women in the informal economy; Gender pay gap	ILO STAT, UN Women (SDG Indicator Dashboard) + ILO supervisory mechanism reports (CAS and CEACR especially)
Occupational safety and health	ILO conventions 155, 187	Non-fatal occupational injuries, occupational fatalities per 100,000 workers	ILOSTAT + ILO supervisory mechanism reports (CAS and CEACR especially)
Labour inspection	ILO conventions 81, 129	Inspectors per 10,000 employed persons	ILOSTAT + ILO supervisory mechanism reports (CAS and CEACR especially)
Right to work	ILO convention 122, ICESCR	Labour force participation rate Unemployment rate	ILOSTAT + ILO supervisory mechanism reports (CAS and CEACR especially) National statistics
Gender	CEDAW	Domestic violence; Poverty rate by sex; Education completion rate by sex and education level; Adolescent birth rate	UN Women (SDG Indicator Dashboard), World Bank, WHO

When relevant, annual reports by international organisations (e.g. Human Rights Watch), social partners e.g. the Thailand Chapter of the International Trade Union Confederation, which has collaborated with the ILO in Thailand), industry associations (e.g. Employers' Confederation of Thailand) or other governments (e.g. the US Department of Labor's Bureau of International Labor Affairs) may be used to supplement ILO data. These statistics will be supported by extensive consultation of stakeholders in the EU and Thailand, following a multi-pronged consultation strategy and capitalizing on our experience in the region (see Section 3). The stakeholder consultation will inform both the baseline and the scoping of the subsequent impact assessment, among specific social issues, targeted sectors and potentially vulnerable populations as defined in the tender specifications namely, low income, children, youth, persons with disabilities, ethnic minorities, indigenous peoples, unskilled workers, and older or less educated consumers, migrant workers, and workers in the informal economy in general.

## Social impact assessment

Our social analysis will combine quantitative and qualitative analysis to provide both a comprehensive picture of the potential social effects the EU-Thailand FTA and more in-depth discussions of areas of opportunities and concerns building upon the screening and scoping exercise performed for the baseline, and more specifically 1) current socio-

economic conditions in Thailand and the EU; 2) the relevance of certain issues to both Thai and EU stakeholders; 3) the magnitude, geographical scope and duration, as well as the cumulative effects of trade-related social impacts.<sup>18</sup> Issues with highest risks will be highlighted in the sustainability heat map to be delivered in January 2026.

The quantitative analysis will draw from DG Trade's CGE modelling to assess the potential effects of an EU-Thailand FTA on employment, wages and welfare effects. In the model, welfare is calculated by measuring "equivalent variation" (EV) which summarizes welfare changes and is translated in money values (million €). This is then extended by looking into the impact of the potential changes of the FTA on wages, which is contingent upon workers' skill level and sector. The analysis of aggregate effects will be complemented with sectoral analysis and contextualized with key indicators identified in the baseline, including measures of poverty, inequality, and informal employment indicators.

With regard to qualitative methods, the social analysis will first confront the sectoral effects revealed by the CGE modelling with desk research on trade-labour linkages to anticipate the impact of trade liberalization on specific aspects of the labour markets e.g. how trade might impact the process of labour formalization underway in Thailand at both aggregate and sectoral levels. Second, it will draw on stakeholder consultation across regions, sectors and segments of the population with the aim of: 1) mapping out potential social risks (summarized in the sustainability heat map) and 2) zooming in on specific sectors deemed most important for the implementation of international labour standards, with special attention to core labour standards and/or the potential effects of trade liberalization for vulnerable segments of the population identified in the baseline. Third, our team will rely on the official sources laid out in the previous section, most notably the ILO supervisory mechanism reports. Our analysis of labour and social impacts will zoom in on sensitive sectors, regions, especially Thailand's Special Economic Zones, and specific vulnerable populations. Populations that would deserve particular attention in this section include migrant workers, women, youth and old-age and workers as well as indigenous populations. The report will combine socio-economic data with policy analysis conducted in the baseline to discuss the potential social impacts of an EU-Thailand FTA on specific groups.

First, migrant workers are a vulnerable group that can be particularly impacted by the FTA under negotiation. A recent study concerning the impacts of a potential FTA between the European Free Trade Association (EFTA) and Thailand noted that migrant workers may face increased exploitation and a "race to the bottom" in labour standards due to production pressures.<sup>19</sup> Consequently, building on the findings of the human rights analysis regarding the rights of migrant workers, deriving from different international human rights instruments, the social analysis will investigate whether the FTA may affect the working conditions of migrant workers.

Second, trade liberalisation may affect women and men differently and so the analysis will also address the potential impacts of the FTA under negotiation on women, and more specifically women as workers and entrepreneurs.<sup>20</sup> The effects of trade on women at work are complex and depend on a variety of factors, including sectors and firm size: while women in larger companies enjoying considerable parity with men while in smaller and medium-sized enterprises inequalities are more pronounced. In this regard, smaller

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<sup>18</sup> European Commission (2016), "Handbook for Trade Sustainability Impact Assessment", 2<sup>nd</sup> edition, available from: [https://trade.ec.europa.eu/doclib/docs/2016/april/tradoc\\_154464.PDF](https://trade.ec.europa.eu/doclib/docs/2016/april/tradoc_154464.PDF)

<sup>19</sup> LSE Trade Policy Hub and Milieu Ltd, 2024, "Sustainability Impact Assessment of the Free Trade Agreement between the European Free Trade Association and Thailand - Final Report", p. 66: <https://www.efta.int/sites/default/files/2024-09/SIA-EFTA-Thailand-FTA-Final-Report.pdf>.

<sup>20</sup> Jane Korinek & Evdokia Moisé & Jakob Tange, 2021. "Trade and gender: A Framework of analysis," OECD Trade Policy Papers 246, OECD Publishing: [https://www.oecd.org/content/dam/oecd/en/publications/reports/2021/03/trade-and-gender\\_1d7b8052/6db59d80-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2021/03/trade-and-gender_1d7b8052/6db59d80-en.pdf)

manufacturing enterprises, mainly geared to the domestic market, experience greater inequalities as a result of FTAs, with women being disproportionately affected.<sup>21</sup> Besides employment-related challenges, the Committee on the Elimination of Discrimination against Women also expressed concern over the fact that rural women, including indigenous women and women from ethnic and religious minority groups, continue to be disproportionately affected by poverty and limited economic opportunities.<sup>22</sup> Here, we will examine potential linkages between the enforcement of TSD provisions and recent political developments in Thailand. Indigenous groups in Thailand recently acquired greater recognition with the passage of the Act on Protection and Promotion of the Way of Life of Ethnic Groups, a law designed to protect ethnic communities, which entered into force on 19 September 2025.<sup>23</sup> Using a combination of qualitative and quantitative methods, the analysis will assess potential impacts of the FTA under negotiation on women, both in employment and in broader economic and social areas. The social analysis will be closely coordinated with the human rights analysis for optimal complementarity.

Our team will capitalize on its expertise of the Thai context,<sup>24</sup> as well as its previous work on the implementation and enforcement practices of TSD provisions to offer a clear set of actionable anticipation and mitigation measures.<sup>25</sup> The recent review of DG Trade's TSD practices, its June 2022 communication, as well as its series of reports on implementation, all provide crucial insights into the priorities of the European Commission with regard to its new TSD approach and therefore constitute an important basis for the formulation of targeted policy recommendations. They also call for an assessment of potential synergies between EU trade agreements and its autonomous measures on trade and labour standards, including the above-mentioned Corporate Sustainability Reporting Directive (CSRD, which entered into force in January 2023), the Corporate Sustainability Due Diligence Directive (CS3D, July 2024) and the Forced Labour Regulation (FLR, December 2024), as well as other bilateral or multilateral initiatives in the region. Our team will leverage its granular understanding of the EU policy context, Thailand's socio-economic record and international geopolitics to propose a set of clear, specific and actionable policy recommendations. The selected recommendations for anticipation and mitigation measures will reflect the core principles of the EU's trade and sustainability strategy as laid out in its 2022 Communication, namely its integration with other EU policy instruments (all-of-government approach), its synergies with multilateral initiatives, and its iterative nature that spans from the negotiating phase to the implementation stage in a virtuous feedback loop process.

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<sup>21</sup> LSE Trade Policy Hub and Milieu Ltd, 2024, Sustainability Impact Assessment of the Free Trade Agreement between the European Free Trade Association and Thailand - Final Report, p. 70: <https://www.efta.int/sites/default/files/2024-09/SIA-EFTA-Thailand-FTA-Final-Report.pdf>.

<sup>22</sup> United Nations Committee on the Elimination of Discrimination against Women, 2017, Concluding observations on the combined sixth and seventh periodic reports of Thailand, CEDAW/C/THA/CO/6-7, paras. 42-43.

<sup>23</sup> According to the UN Office of the High Commissioner on Human Rights, the new law "affirms the principles of equality and non-discrimination, prohibits defamation and hate speech against ethnic groups, and guarantees a range of human rights. These include the preservation of languages, traditions and cultural practices; access to community-led education, public services and welfare; and the rights to land and natural resources within designated 'Protected Areas of Way of Life of Ethnic Groups'." However, the law falls short of officially recognizing ethnic communities as indigenous peoples. Office of the High Commissioner on Human Rights, "Thailand: UN Human Rights Office welcomes new law on ethnic groups, urges recognition of the rights of Indigenous Peoples," 24 September 2025, available from: <https://bangkok.ohchr.org/thailand-new-law-ethnic-groups>

<sup>24</sup> LSE Consulting (2024), "Sustainability Impact Assessment of the Free Trade Agreement between the European Free Trade Association and Thailand," available from: <https://www.lse.ac.uk/business/consulting/reports/sia-of-the-fta-between-the-efta-and-thailand>

<sup>25</sup> LSE Consulting (2022), "Comparative analysis of trade and sustainable development provisions in trade agreements", available from: [https://trade.ec.europa.eu/doclib/docs/2022/february/tradoc\\_160043.pdf](https://trade.ec.europa.eu/doclib/docs/2022/february/tradoc_160043.pdf)

## 2.3. Environmental analysis

This section explains how the SIA will assess the EU–Thailand FTA’s environmental effects in line with the Commission’s approach to Trade and Sustainable Development (TSD). The analysis is organised in two parts and will in a further step integrate inputs gathered through the stakeholder consultations: **(1) Baseline** — an indicator snapshot of current conditions in Thailand (aligned with recent ASEAN SIAs and tailored with Thai-specific metrics); and **(2) Environmental impact analysis** — a qualitative-leaning assessment mapping trade-related scale, structural, technological and product/composition effects, in particular for trade in goods; this analysis will also consider impacts related to key FTA chapters (including, notably, the TSD chapter, and others where pertinent, such as capital movements, energy and raw materials, sustainable food systems, and dispute settlement).

### Baseline

The assessment of the baseline will develop an overview of key environmental issues in Thailand and the EU and their likely evolution in the near future. Our initial screening indicates that the environmental impacts will be deeper and more wide-ranging (i.e., with a greater number of priority sectors) for Thailand than for the EU. We will consider review this further in the heat map.

### Thailand

A first screening indicates that Thailand faces persistent pressures across climate, air, water, waste, forests and fisheries.<sup>26</sup> Thailand remains highly climate-vulnerable, facing rising temperatures, changing rainfall, and coastline erosion, while pursuing carbon-neutrality by 2050 and net-zero by 2065.<sup>27</sup> Territorial GHGs have increased since 2000, dominated by the energy sector (~70%), with agriculture (~15%, notably methane emissions from rice cultivation) and waste as significant contributors.<sup>28</sup> Air quality data reveal seasonal PM<sub>2.5</sub> exceedances linked to open burning and transboundary haze, as well as industrial and transport hotspots for NO<sub>2</sub>/SO<sub>2</sub>/O<sub>3</sub>.<sup>29</sup> On circularity, there is low plastics recycling and documented leakage to waterways.<sup>30</sup> Wastewater management remains uneven, with gaps in municipal and industrial treatment despite growing reuse initiatives.<sup>31</sup> Land-use and biodiversity pressures persist, including continuing primary-forest loss and rubber-linked deforestation,<sup>32</sup> alongside localised palm-oil biodiversity impacts.<sup>33</sup> Marine ecosystems show long-term depletion, although national fisheries reforms under the Marine Fisheries Management Plan are improving monitoring and compliance.

<sup>26</sup> Ministry of Natural Resources and Environment, Thailand’s Fourth Biennial Update Report (BUR) (2022), [https://unfccc.int/sites/default/files/resource/Thailand\\_BUR4\\_final\\_28122022.pdf](https://unfccc.int/sites/default/files/resource/Thailand_BUR4_final_28122022.pdf).

<sup>27</sup> Ministry of Natural Resources and Environment, Thailand’s Long-Term Low Greenhouse Gas Emission Development Strategy (Revised version) (2022), [https://unfccc.int/sites/default/files/resource/Thailand%20LT-LEDS%20%28Revised%20Version%29\\_08Nov2022.pdf](https://unfccc.int/sites/default/files/resource/Thailand%20LT-LEDS%20%28Revised%20Version%29_08Nov2022.pdf).

<sup>28</sup> Ministry of Natural Resources and Environment, Thailand’s Fourth Biennial Update Report (BUR) (2022), [https://unfccc.int/sites/default/files/resource/Thailand\\_BUR4\\_final\\_28122022.pdf](https://unfccc.int/sites/default/files/resource/Thailand_BUR4_final_28122022.pdf).

<sup>29</sup> Ministry of Natural Resources and Environment, Thailand State of Pollution Report 2023 (2024), <https://www.pcd.go.th/ebook/book18/PCD%202024.html>.

<sup>30</sup> World Bank, Support Development of Thailand’s Draft Action Plan on Marine Plastic Debris (2021), <https://openknowledge.worldbank.org/entities/publication/3ac5f3d9-f361-51d9-aead-7627213b9792/full>; ASEAN, ASEAN Regional Action Plan for Combatting Marine Debris in the ASEAN Member States (2021-2025), [https://asean.org/wp-content/uploads/FINAL\\_210524-ASEAN-Regional-Action-Plan\\_Ready-to-Publish\\_v2.pdf](https://asean.org/wp-content/uploads/FINAL_210524-ASEAN-Regional-Action-Plan_Ready-to-Publish_v2.pdf).

<sup>31</sup> WEPA/PCD, Updates on Industrial Wastewater management in Thailand (2023), [https://wepa-db.net/wp-content/uploads/2023/02/212\\_Thailand\\_report-2022.pdf](https://wepa-db.net/wp-content/uploads/2023/02/212_Thailand_report-2022.pdf); IWA, Wastewater reclamation trends (2022), [https://www.pseau.org/outils/ouvrages/iwa\\_wastewater\\_reclamation\\_trends\\_in\\_thailand\\_2022.pdf](https://www.pseau.org/outils/ouvrages/iwa_wastewater_reclamation_trends_in_thailand_2022.pdf).

<sup>32</sup> Global Forest Watch (latest) Thailand dashboard & datasets (2024), <https://www.globalforestwatch.org/dashboards/country/THA/>; Wang et al., Resolution maps show that rubber causes substantial deforestation (2023), [https://eprints.whiterose.ac.uk/id/eprint/204464/1/s41586\\_023\\_06642\\_z.pdf](https://eprints.whiterose.ac.uk/id/eprint/204464/1/s41586_023_06642_z.pdf).

<sup>33</sup> EPI, Thailand profile (2024), <https://epi.yale.edu/country/2024/THA>.

Our review of key environmental issues will draw where possible on indicators. Table 2 provides a preliminary list of main indicators we intend to explore, as well as key data and information sources that will be used for the environmental indicators. The table is not exhaustive and the identification of indicators will be further developed as the study progresses.

**Table 2. Preliminary identification of potential environmental indicators based on the screening at the inception stage**

Indicator	Source
<b>1. Greenhouse gas (GHG) emissions &amp; Energy</b>	
CO <sub>2</sub> (total & per capita); GHG intensity of GDP; energy use by sector & fuel; power generation mix.	UNFCCC BUR/BTR; EDGAR; WDI/IEA Profiles; DEDE/EPPO
<b>2. Air quality</b>	
PM <sub>2.5</sub> exposure + days above Thai standard; SO <sub>2</sub> /NO <sub>x</sub> (national).	WHO; World Bank; national stats; PCD State of Pollution; EDGAR; EPI; TEI burning report; GISTDA
<b>3. Water &amp; wastewater</b>	
Industrial WWTP compliance (%), and water quality index (good/fair/poor).	World Bank; UNEP; PCD State of Pollution; WEPA; ESCAP
<b>4. Land use &amp; Agriculture</b>	
FAO land-use trends and pressures; (rubber-linked) deforestation; (palm-oil) biodiversity impacts; Rice CH <sub>4</sub> ; AWD (alternative wetting and drying for rice cultivation) suitability/adoption.	FAOSTAT; FAO Global Resources Assessment; Global Forest Watch); Wang et al.; Jaroenkietkajorn et al.; ONEP; UNFCCC; CCAC/ACIAR
<b>5. (Industrial) waste &amp; circularity</b>	
Hazardous/industrial waste generated & treated; recovery/recycling rates.	IEA Profiles; PCD State of Pollution; MONRE; World Bank
<b>6. Biodiversity</b>	
Proportion of terrestrial and marine areas protected; number of threatened species; number of invasive alien species.	CBD Country Profile; GBIF; InforMEA Profiles; GRIIS; WDPA; CBD NR6 (Thailand); IUCN Red List; EPI biodiversity sub-indicators (KBA)

Our preparation of the baseline will review Thailand's ratification of multilateral environmental agreements (MEAs), noting where possible distinctions between de jure ratification and de facto implementation. The review will moreover consider current environmental governance in Thailand, including policies and plans such as Thailand's Bio-Circular-Green Economy Model.

A detailed list of literature for the environmental analysis has been provided in Annex 5, in the list of references; additional sources will be added as appropriate in the course of the study.

## European Union

The European Environment Agency's recently published report on the State of Europe's Environment<sup>34</sup> provides a comprehensive overview of the drivers, pressures and state of the environment in the EU. We will use this report as a key source when developing the baseline, along with other key reports from EEA<sup>35</sup> and the European Commission. These sources will be used in preparing the environmental part of the heat map and in the further development of the baseline. While we do not expect major environmental impacts on the EU, key areas could include GHG emissions, land use and agriculture, and solid waste and circular economy. The development of the heat map will identify key areas for attention.

## Environmental impact analysis

### Impacts on Thailand

The environmental workstream will assess trade-linked pressures and responses across key Sustainable Development Goals (SDGs): specifically, GHG/energy (SDG13), air quality and waste (SDG11/12), water and wastewater (SDG6), land/forests/biodiversity (SDG15), and marine ecosystems (SDG14). As set out in our technical proposal, we will seek to interpret environmental impacts in terms of scale, structural, technological and product effects, and examine how environmental governance – including implementation of multilateral environmental agreements (MEAs) and supply-chain due-diligence regimes – can amplify or mitigate outcomes. The analysis will also seek to consider potential implications for national policy initiatives such as Thailand's Bio-Circular-Green Economy Model.

We expect that three channels of analysis will be central.

- i) Trade-driven changes: in particular, tariff liberalisation under the Trade in Goods chapter and related provisions is expected to alter output, trade composition and transport activity.
- ii) Other key FTA provisions on economic activities: impacts may also arise via chapters on capital movements, , energy and raw materials, sustainable food systems.
- iii) Implications from the TSD chapter and the dispute settlement chapter. The TSD provisions (as well as FDI) could influence technology adoption in areas such as cleaner production, circularity, wastewater upgrades; policy cooperation, potentially on MEA implementation, fisheries management, plastics; and compliance as well as implementation of corporate social responsibility/responsible business conduct (CSR/RBC), thereby leading to positive technology and governance effects.

The assessment will use CGE model outputs on sectoral activity (and emissions where available) as primary signals as well as indicator trends from the baseline. It is expected, however, that limited data coverage and model scope will result in many final impact results to be predominantly qualitative. Other sources will include: literature review, the consultation results, and the case studies.

Quantitative changes will be presented where feasible; otherwise, potential effects will be described and then summarised on a three-point scale (+/++/+++), with confidence notes and data gaps stated explicitly. Findings will be reported by SDG and by key sectors and will identify scale/structural/technology/product drivers for each result.

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<sup>34</sup> European Environment Agency, Europe's environment 2025, <https://www.eea.europa.eu/en/europe-environment-2025>

<sup>35</sup> Including, for example, European Environment Agency, Monitoring report on progress towards the 8th EAP objectives 2025, <https://www.eea.europa.eu/en/analysis/publications/monitoring-report-on-progress-towards-the-8th-eap-objectives-2025>

Priority attention will be given to sectors/topics with higher likelihood of FTA influence. These are likely to include agriculture (e.g. rice methane/water management, agricultural crop residue burning in sugar and rice production and plastics in agri-supply chains), agro-processing and food systems, fisheries/seafood value chains, automotive and electronics manufacturing (energy use, air pollutants and EV/battery life-cycle waste), rubber and palm-related land-use. The heat map will be used in identifying the main sectors/topics for attention. The case studies (see section 2.5)—agri-food and automotive sector—will be used to deepen the qualitative assessment and illustrate pathways from FTA provisions to environmental outcomes.

Expected environmental issues will be assessed qualitatively for the cross-cutting issues: SMEs (including agricultural smallholders), consumers, LDCs, EU outermost regions, and the role of CSR/RBC (which is under the TSD chapter). At this stage, potential impacts may include improved compliance with MEAs and with national environmental legislation, capacity needs in export chains (seafood, rubber, agro-processing), consumer co-benefits from cleaner air/water, and possible diversion effects in neighbouring LDCs; these and other issues will be explored in the detailed analysis.

### *Impacts on the EU*

As an initial screening, we expect that the main impacts on the EU will arise from trade-driven changes in the trade of goods as well as other key FTA provisions for economic activities.

This part of the assessment will also will use the CGE model outputs, which we expect will cover GHG emissions and other pollution sources. We will draw on the literature review and consultation results where relevant: other impacts could include those on agriculture and land use and solid waste and circular economy. The assessment of cross-cutting issues will also cover the EU, focusing in particular on potential environmental impacts on outermost regions (notably on agriculture and land-use in these regions).

## 2.4. Human rights analysis

The human rights analysis will assess how the reduction of tariffs and non-tariff measures in the FTA and other areas of the agreement, such as investment, procurement and TSD, between the EU and Thailand could affect the human rights situation in both territories. During the inception stage, the team carried out a screening of relevant sections of the FTA texts and potentially affected human rights, in line with the EU Guidelines on the analysis of human rights impacts in impact assessments for trade related policy initiatives and Tool #29 of the Better Regulation Toolbox. The screening reviewed international human rights instruments as well as EU fundamental rights set out in the EU Charter, EU and international reports and relevant literature. The findings will further be integrated into findings through the stakeholder consultation activities.

### **Baseline**

The screening of potential human rights impacts resulted in the identification of selected human rights for further assessment in the context of the EU-Thailand FTA. The results of this exercise, including a determination of whether the impact of the FTA would be direct or rather indirect – with reference to specific sections of the current FTA negotiating texts, as well as possibly affected groups or persons is included in a summary table in Annex 8 to this inception report.

This screening identified potential human rights impacts of the FTA in relation to (i) the prohibition of forced labour and of child labour, (ii) the rights of indigenous people, (iii) labour rights, (iv) the right to privacy, (v) freedom of expression, access to information and the right

to public participation, (vi) the right to join and form trade unions and to collective bargaining, (vii) the right to equal treatment and non-discrimination, including persons with disabilities and women's rights, (viii) the right to an effective remedy, (ix) the right to health and to a healthy environment, and finally (x) the right to an adequate standard of living. While certain aspects will also be addressed in the social impact assessment, we will make sure to align both chapters while ensuring that relevant issues are addressed under both sections. In the human rights assessment, we will approach these issues from a human rights perspective, and look into compliance with international human rights conventions. Working conditions, however, while constituting a human rights issue, will mostly be analysed under the social analysis. Where relevant, cross reference will be made to that analysis.

The baseline indicates continuing exposure to forced and child labour risks in Thailand's fisheries and seafood processing, agriculture, garments and construction, particularly for migrant and informal workers. In particular, when assessing Thailand's implementation of the International Convention on the Elimination of All Forms of Racial Discrimination, the United Nations Committee on the Elimination of Racial Discrimination expressed concern over reports of forced labour and labour exploitation of migrant workers, especially in fishing, agriculture and domestic work.<sup>36</sup> Similar concerns were expressed by the United Nations Human Rights Committee when assessing Thailand's compliance with the International Covenant on Civil and Political Rights.<sup>37</sup> The situation of migrant workers is thus particularly relevant in this regard. Regionally, the Asia-Pacific accounts for the largest number of people in forced labour, with highest concentrations in services, manufacturing, construction, agriculture and domestic work. Within the EU, forced labour and severe labour exploitation risks have been detected in agriculture, construction, domestic work and complex supply chains. Collective-bargaining coverage remains uneven, especially for migrants, in both Thailand and in the EU. Other labour rights infringements will be analysed in more detail in the social impacts chapter.

United Nations human rights bodies have expressed concern over discrimination against persons belonging to indigenous communities in Thailand, including with regard to land rights and the lack of protection of the collective property of indigenous peoples,<sup>38</sup> as several communities were reportedly evicted from their lands.<sup>39</sup> Evictions take place, among others, due to forestry and environment-related laws and regulations.<sup>40</sup>

Several sections of the FTA involve or regulate cross-border data flows (e.g. customs, financial services, MAAP). While the right to privacy is recognised as a fundamental right in the EU and Thailand, as well as in the current negotiation texts, the protection of this right in practice heavily depends on the resources and independence of supervisory authorities, the right to notification and the right to a remedy in case of infringements, and ultimately in this context on cross-border enforcement of data protection rights. The baseline analysis will elaborate on these safeguards for the protection of the right to privacy. The EU has a strong legal and institutional framework in place for the protection of the right to privacy, including through the EDPB, focusing increasingly on cooperation with third countries, including legal obligations for exchange of personal data with third countries. Thailand has been developing legal and institutional measures to protect the right to privacy, including through its Personal Data Protection Act (PDPA) and the Personal Data Protection Committee (PDPC) established in 2022.

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<sup>36</sup> United Nations Committee on the Elimination of Racial Discrimination, 2022, Concluding observations on the combined fourth to eighth reports of Thailand, CERD/C/THA/CO/4-8, paras. 31-32

<sup>37</sup> United Nations Human Rights Committee, 2017, Concluding observations on the second periodic report of Thailand, CCPR/C/THA/CO/2, paras. 23-24.

<sup>38</sup> United Nations Committee on the Elimination of Racial Discrimination, Concluding observations on the combined fourth to eighth reports of Thailand, CERD/C/THA/CO/4-8 (2022), paras. 21-22.

<sup>39</sup> United Nations Human Rights Committee, Concluding observations on the second periodic report of Thailand, CCPR/C/THA/CO/2 (2017), paras. 43-44.

<sup>40</sup> United Nations Committee on the Elimination of Racial Discrimination, Concluding observations on the combined fourth to eighth reports of Thailand, CERD/C/THA/CO/4-8 (2022), para. 27.

Regarding freedom of expression, access to information and public participation, concerns are raised in Thailand regarding internet freedom, pressure on journalists and political activities, including arrest, surveillance, harassment, impunity for crimes committed against political activists.<sup>41</sup> In the EU, concerns regarding freedom of expression, threats to democratic processes and pressure on civil society organisations are on the rise in a number of Member States.<sup>42</sup>

For equality and non-discrimination (including women and persons with disabilities), the CEDAW Committee's 2025 concluding observations on Thailand highlight persistent gaps for women: gender-based violence, underrepresentation of women in judiciary, labour-market inequality and barriers to justice, in particular for women belonging to ethnic minorities while noting progress (e.g., adoption of the Women's Development Strategy and the Gender Equality Promotion Action plan for 2023-2027). In the EU, gender-based violence remains a persistent and widespread violation of fundamental rights. Accessibility gaps continue to affect persons with disabilities in employment, education, services and justice.

In terms of the right to an effective remedy, in the EU, EU victim accounts and the EU Agency for Fundamental Rights (FRA) research emphasise high costs, language barriers, fear of retaliation and long procedures as deterrents to complaint<sup>43</sup> — issues that mirror Thai workers' experiences in informal supply chains.<sup>44</sup>

Finally, while trade can support lower consumer prices and raise incomes, affordability, workplace health and safety, exposure to pollution, and food and housing security remain uneven, particularly for low-income and migrant households.

**Table 3. Preliminary identification of potential human rights indicators based on the screening at the inception stage**

Indicator	Source
<ul style="list-style-type: none"> <li>• Ratification of international human rights treaties</li> <li>• Submission of implementation reports under international human rights treaties</li> <li>• Acceptance of individual complaint procedures</li> <li>• Acceptance of the inquiry procedure</li> <li>• Accreditation / existence of national human rights institutes</li> <li>• Existence of constitutional guarantees for specific human rights (e.g. right to privacy, freedom of expression)</li> </ul>	<ul style="list-style-type: none"> <li>• UN Treaty Body Database (<a href="https://www.ohchr.org/">https://www.ohchr.org/</a>)</li> <li>• Implementation reports under the international human rights treaties</li> <li>• Chart of accreditation of National Human Rights Institutions (NHRIs)</li> <li>• Reports by High Commissioner for Human Rights</li> <li>• Findings of the ILO supervisory mechanism, ILO reports and ILOSTAT data</li> <li>• OECD reports and data</li> </ul>

<sup>41</sup> See e.g. United Nations Human Rights Committee, 2017, Concluding observations on the second periodic report of Thailand, CCPR/C/THA/CO/2, paras. 35-36; 39-40.

<sup>42</sup> See e.g. European Parliament, Parliament calls for action against the erosion of EU values in member states, 28 February 2024, <https://www.europarl.europa.eu/news/en/press-room/20240223IPR18084/parliament-calls-for-action-against-the-erosion-of-eu-values-in-member-states>.

<sup>43</sup> FRA reports on access to justice, e.g. 'Business and human rights – access to remedy', 2020, [https://fra.europa.eu/sites/default/files/fra\\_uploads/fra-2020-business-human-rights\\_en.pdf](https://fra.europa.eu/sites/default/files/fra_uploads/fra-2020-business-human-rights_en.pdf)

<sup>44</sup> For instance, IOM, "Business Guidebook: how to mediate employment disputes under Thai Labour law", 2021, <https://mitrthai.com/employers/wp-content/uploads/2021/07/Business-Guidebook-How-to-Mediate-Employment-Disputes.pdf> and Global Alliance Against traffic in women (Heinrich Boll Stiftung), "Access to justice from the perspectives of Cambodian migrant workers in Thailand, 2017, [https://kh.boell.org/sites/default/files/access\\_unknown.pdf](https://kh.boell.org/sites/default/files/access_unknown.pdf)

Indicator	Source
<ul style="list-style-type: none"> <li>• Existence of regulatory/legislative frameworks for specific human rights (e.g. data protection legislation, labour laws in line with ILO conventions, access to information legislation, etc.)</li> <li>• Existence of national action plans/strategies on human rights and associated monitoring mechanisms</li> <li>• Global comparable indexes, such as World Bank Worldwide Governance Indicators (WGI), Freedom House - Freedom in the World Index, Freedom House Freedom on the Net Index, Human Development Index, WEF Global Gender Gap Index, CIVICUS Monitor on civic space, ITUC Global Rights Index (TSD/labour), ILOSTAT (inspection resources, OSH data, union density), UN DESA e-government development index (EGDI).</li> </ul>	<ul style="list-style-type: none"> <li>• IOM reports</li> <li>• EU official reports, such as 2024 human rights and democracy in the World country reports (EEAS), EU Human rights dialogues, EU Human Rights country strategies (HRCs), Civil Society Roadmaps</li> <li>• National Action Plans/Strategies on Human Rights and implementation reports, e.g. Thai National Action Plans on Business and Human Rights and EU Annual Fundamental Rights Report by FRA.</li> <li>• US reports on specific human rights indicators</li> <li>• NGO reports, e.g. Human Rights Watch World Report 2025, Freedom House</li> <li>• Research projects and academic literature, e.g. My World in Data, Oxford University</li> <li>• Global indexes (see left column)</li> </ul>
<b>Illustrative indicators for a number of human rights identified in the screening</b>	
<b>Prohibition of slavery/forced labour</b>	
<ul style="list-style-type: none"> <li>• Ratification and implementation of ICCPR and CAT</li> <li>• Ratification and implementaiton of the Palermo Protocol</li> <li>• Ratification and implementation of ILO Conventions 29, 105 and Protocol 29</li> <li>• Constitutional/criminal legislative requirements: constitutional prohibition of forced labour/slavery, criminal offences for slavery/forced labour</li> <li>• Other regulatory requirements, e.g. licensing requirements for recruitment agencies</li> <li>• Reports by potential victims of forced labour in research, representative workers' surveys in risk sectors</li> <li>• Number of official complaints regarding slavery/forced labour / specific offences meeting ILO indicators of potential forced labour</li> </ul>	<ul style="list-style-type: none"> <li>• UN Treaty Body Database: HRCtee, CAT, CAT-OP; CED</li> <li>• ILO supervisory mechanism reports (especially CAS and CEACR) as well as other publications such as the Global Estimates of Modern Slavery</li> <li>• UN reports, e.g. UNODC Global Report on Trafficking in Persons 2020, IOM/UN Migration Report 2024, UN Human Rights Council, Report of the Special Rapporteur on Contemporary Forms of Slavery.</li> <li>• OECD/ILO country briefs, e.g. automotive industry</li> <li>• IOM reports, e.g. key risks for migrant workers in the fashion industry in Thailand</li> <li>• ITUC Global Rights Index</li> <li>• US government reports, such as US Annual Trafficking in Persons Report 2024, Supply Chain Study on Forced</li> </ul>

Indicator	Source
	Labor in the Fishing Industry in Thailand 2024 <ul style="list-style-type: none"> <li>• NGO reports, e.g. human rights watch, greenpeace, Amnesty International</li> <li>• Research projects and academic literature</li> </ul>
<b>Right to privacy</b>	
<ul style="list-style-type: none"> <li>• Presence of Data Protection Authority (DPA), including mandate, independence, resources</li> <li>• Constitutional requirement: constitutional protection of the right to privacy</li> <li>• Regulatory/legislative requirements: requirements for notification of data breaches, use of personal data, requirements for cross-border transfer of data, requirements/incentives for companies to implement data protection requirements</li> <li>• Complaints DPA: number of complaints received, number of complaints resolved, number of investigations</li> </ul>	<ul style="list-style-type: none"> <li>• UNCTAD, legislative trackers for data protection</li> <li>• OHCHR Universal Periodic Review (UPR)</li> <li>• ITU Global Cybersecurity Index (GCI) and regulatory tracker</li> <li>• UNECE / UN DESA e-government and e-participation indexes</li> <li>• OECD Privacy Guidelines, Digital Economy Outlook and Going Digital Indicators</li> <li>• EDPB Annual report 2025</li> <li>• EDPS opinions</li> <li>• EC, GDPR evaluation reports</li> <li>• FRA Fundamental Rights Report (Data protection and privacy chapter)</li> <li>• ENISA analyses on data protection/data breaches</li> <li>• Thai Personal Data Protection Committee (PDPC) Office</li> <li>• Thai National Cyber Security Agency (NCSA)</li> <li>• Research findings, e.g. DLA Piper Data Protection Laws of the World and Baker McKenzie Global Privacy Handbook</li> <li>• NGO reports, e.g. Privacy International, Access Now</li> <li>• Academic literature</li> </ul>

## Human rights impact analysis

Potential human rights impacts of the FTA will be assessed against this baseline and analyse how the different sections of the FTA may impact the selected human rights. The screening exercise, reflected in the table in Annex 8 identifies the most relevant sections of the current negotiating texts as well as the potential impact for each potentially affected human right, indicating whether such impact is expected to be direct/indirect and high/low. The table also identified vulnerable groups/persons which may most likely be impacted by

the FTA. It is anticipated that the human rights impact assessment will largely be qualitative, summarising the impacts as direct/indirect, elaborating on the preliminary assessment included in the Human Rights Impact Assessment (HRIA) table in Annex 8, and as high/low. The analysis will identify potential positive and negative effects of the FTA measures and identify specific risks and opportunities in the FTA.

High-risk sectors have been identified for the possibility of higher human rights impacts. A number of agricultural and industrial sectors have been identified as particularly relevant for risks of forced labour and labour rights, namely fisheries, agriculture, food processing, textile, automotive, electronics and platform work. Value chains in this sector see higher incidence of violation of these rights, especially for migrant and informal workers. Digital services and financial services are, among others, identified as particularly relevant in relation to the right to privacy and data protection. Public procurement and SMEs may be impacted by an FTA in relation to access to information, public participation, equal treatment and access to effective remedies. These sectors will receive priority attention for the assessment of potential human rights impacts and result in a higher likelihood of FTA influence.

The analysis will provide particular attention to migrant and informal workers, women workers, persons with disabilities, children, SMEs and, where relevant in particular for tenure governance, to indigenous and local communities affected by land-use changes. Cross-cutting aspects of the analysis include responsible business conduct and measures strengthening access to justice.

## 2.5. Case study analysis

The sectoral analysis will include focused case studies on two agricultural products, namely sugar and rice, on tuna and on automotive and transport equipment, reflecting their importance in EU–Thailand trade and possible impacts in the FTA context.

For **agri-food**, Thailand is a major global exporter and this sector forms a significant share of Thai exports to the EU, including rice, poultry, sugar and processed foods, worth approximately USD 3.2bn in 2023. While overall tariffs are relatively low, agri-food tariffs are comparatively high for both partners – notably for products such as rice and sugar –and offer scope for meaningful liberalisation under the FTA. The analysis will look at the potential impacts that could derive from their liberalisation, for both the EU and Thailand, . . . They will also consider the potential erosion of LDC trade preferences in products such as rice and sugar where LDC suppliers currently benefit from duty-free access under EBA, where Thailand is a competitive supplier and where improved Thai access could have significant diversion effects and sustainability implications.

Methodologically, the agri-food analyses will combine detailed trade statistics with information on relevant regulatory measures and rules of origin, CGE model outputs on trade and production changes, and targeted stakeholder interviews. The case studies will establish a production and trade baseline for key agri-food sub-sectors, assess expected liberalisation effects on tariffs and selected non-tariff measures, and examine value-chain implications and adjustment challenges, with particular emphasis on SMEs and on distributional effects for EU producers and LDC competitors. This will provide the basis for concise, sector-specific recommendations on tariff schedules, as well as for areas for cooperation and capacity-building.

For **automotive and transport equipment**, the case study will address a sector characterised by high Thai tariffs on vehicles, substantial bilateral trade in vehicles and parts, and an active domestic industrial policy, including support for electric vehicles (EVs). Thailand exports significant volumes of transport equipment to the EU, while the EU is an important supplier of components and technology to Thailand. The analysis will draw on CGE model results, sector-specific trade and investment data and a review of Thai and EU policy frameworks, as well as the EU's draft Motor Vehicles Annex. It will map the structure of bilateral automotive trade, identify key non-tariff barriers such as differences in type-

approval procedures, divergence from United Nations Economic Commission for Europe (UNECE) standards and local content and origin verification requirements, and assess how proposed FTA commitments compare with current Thai practice. Using this evidence, the case study will examine expected effects on trade, investment and employment across final vehicle producers and parts suppliers, with particular attention to SMEs and the EV segment, and will formulate practical recommendations on regulatory cooperation, SME support and sustainability-oriented measures.

### 3. Consultation strategy

The consultation strategy aims to support the qualitative and quantitative analysis of the SIA, identify blind spots, and validate results. The main objectives of the consultation process are:

- to actively engage with all affected and interested parties in order to reflect their experience, priorities and concerns vis-a-vis the trade and investment measures under negotiation;
- to contribute to the transparency of the SIA analysis, as well as ensure the quality, credibility and legitimacy of the process;
- to help identify priority areas and key issues relating to the possible economic, social, environmental and human rights impacts in the negotiations.

The consultations will cover all stakeholders from the EU and Thai's national and subnational level with the objectives:

- to clearly identify sectors and groups which could gain or could be negatively impacted because of the FTA;
- to collect evidence to support analysis of the reasons for such impacts;
- to collect data for case studies and their analysis.

The consultation activities will begin after publication of this report.

A diverse range of consultation tools with differing advantages will be used in support of reaching the objectives for the stakeholder consultations. These tools are presented in more detail in the following sections. Table 4 provides an overview of the different stakeholder categories and the consultation methods applied respectively.

**Table 4. Consultation method by type of stakeholder<sup>45</sup>**

Type of stakeholders	Online consultation	Targeted survey to	Semi-structured interviews and	Focus group	CSD meetings	Digital outreach tools
Citizens	X				X	X
Businesses	X	X	X	X	X	X
NGOs	X		X	X	X	X
Social partners	X		X	X	X	X
Trade and business associations and facilitators	X	X	X	X	X	X
Academia	X		X		X	X
International organisations	X		X			X

<sup>45</sup> The workshop in Thailand will be targeted to local stakeholders, especially civil society, businesses, national and regional administrations, social partners including trade unions, and international organisations present on the ground.

Type of stakeholders	Online consultation	Targeted survey to	Semi-structured interviews and	Focus group	CSD meetings	Digital outreach tools
Economic operators including trade intermediaries, freight forwarders, Conformity Assessment Bodies and others	X	X	X			X

### 3.1. Stakeholder identification

To undertake inclusive and participatory consultations, the first step has been the identification of key stakeholders in the EU and in Thailand. The consultation starts from a list, which we have compiled for previous EU SIAs and studies as well as our work on the EFTA-Thai SIA, preliminary research of grey literature and the media, identifying stakeholder concerns. Based on this existing list, this activity has identified those who could gain or could be negatively impacted because of the FTA. The stakeholder identification process has been built on the background research done at the start of the inception phase and consultations with DG Trade and the EU Delegation in Thailand. The main areas of the planned trade agreement are used to identify the key channels through which the agreement will produce on-the-ground effects. In turn helping to identify the key stakeholders, which are defined as those who are interested in the FTA, are potentially affected by it in the present or in the future, will participate in the FTA's implementation and/or the monitoring of the agreement.

With the identified representative sample of key stakeholders to be consulted in the EU and Thailand, we map the nature of civil society in Thailand and its capacity to participate effectively in the consultation process for the SIA.

The stakeholders are broadly categorised into:

- Citizens, including indigenous peoples and local communities
- Businesses, ensuring the representation and targeting of tools to Small and Medium-sized Enterprises (SMEs) and financial institutions
- Social partners including BusinessEurope, ETUC and SGI Europe
- Non-Governmental Organisations (NGOs), focusing on social, environment, human rights, gender issues, and consumers Economic operators including trade intermediaries, freight forwarders, Conformity Assessment Bodies and others
- Trade and business associations and facilitators, including Enterprise Europe Network, trade promotion organisations, and commercial chambers
- Academia inclusive of universities and thinktanks International organisations such as ILO, ASEAN, IUCN, and FAO

We further specify these broad classifications to understand the different levels and severity of impact for specific groups. Within these specific stakeholder groups, we identified individuals to be addressed for the purpose of clearly assigning responsibilities and consequently aiming at obtaining high quality responses. We drew on the literature review for the finalisation of the list but also to feed into the questionnaires for the different tools.

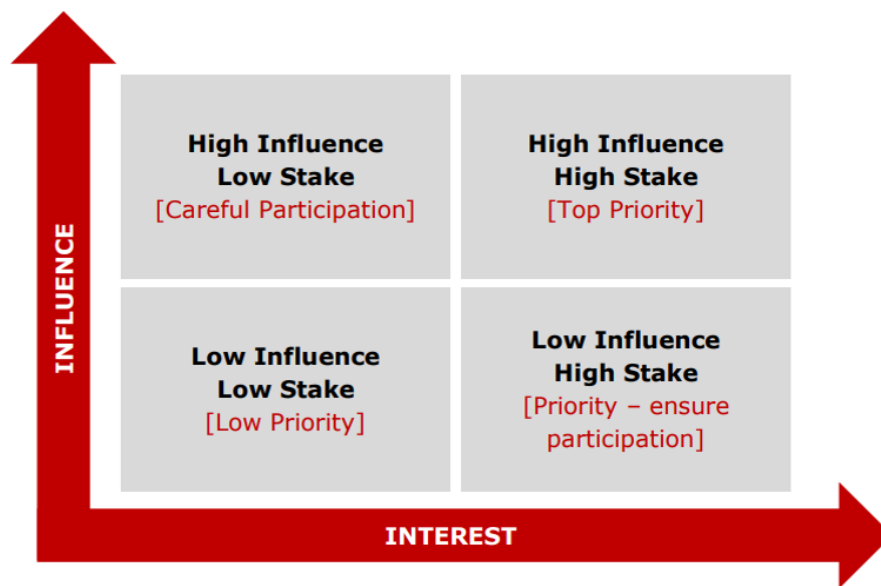
The project team harnesses its strong networks through previous similar work (sustainability impact assessments, impact assessments, fitness checks and other support studies for the

European Commission) to identify key stakeholders under each of the broadly identified categories. The project team also has leveraged the experts working on this project and their existing networks to identify additional stakeholders as well as to access their contact information in a quick manner. The project team's experts will closely practice social listening to identify key concerns, where they are discussed, and the stakeholders involved. A list has been drawn out of the key stakeholders listed in recent and relevant reports, workshops, training, and studies undertaken by the European Commission and external actors. The mapping was based on desk research, input from Thai members of the project team, as well as findings from previous SIAs. Additionally, two senior Thai experts, Dr Nattapan Kongbuamai, and Dr Saowaruj Rattanakhomfu, identified stakeholders and their contact information. Throughout this study, the project team will ensure that appropriate consultation methods are used based on a stakeholder's level of interest and influence. While our existing list of stakeholders informs the basis of our outreach efforts, any company, organisation or citizen can submit their views through the project team's emails and website (section 3.8 contains further detail).

Additionally, we will identify and add stakeholders as the analytical progresses. Through the project team's extensive experience with complex multi-country, multi-sector and multi-issue consultation in different regions of the world, we have learned that a heuristic stakeholder consultation strategy drawing from agile project management methods is crucial to reach out to a plurality of stakeholders including vulnerable populations. The concentric circles approach to consultation is key to inclusiveness, not just at the beginning but throughout the consultation process, including later stages. Our economic analysis will also shed light on the most impacted sectors, providing further guidance on relevant stakeholders. Stakeholders will also be identified based on the case studies. The stakeholders highlighted through the Open Public Consultation (OPC) will also be included to conduct more targeted interviews and meetings. Annexes 9 and 10 provide a draft list of national and regional administrations, social partners, including trade unions, civil society organisations, and international organisations, which will be contacted in Thailand and the EU.

## 3.2. Stakeholder mapping

To increase the effectiveness of the consultations, stakeholder mapping is important. It allows the identification of existing challenges and imbalances that would affect the inputs provided by the stakeholders engaged. After identifying a sample of key stakeholders, the study will distinguish stakeholders into four key groups based on their respective level of interest and influence. The project team aims to ensure a balanced sample by covering all relevant interests. Figure 1 provides a stakeholder mapping matrix that encompasses different levels of interest and influence of stakeholders.

**Figure 1. Stakeholder mapping matrix**

Source: EU Better Regulation Toolbox, tool 53

Through this exercise, it will be ensured that appropriate consultation methods are used based on a stakeholder's type and their level of interest and influence. This will also guarantee that target groups that might run the risk of being excluded due to lack of representation, constraints on freedom of association, and/or limited access to consultations, are included. The mapping of stakeholders will thus help to undertake corrective measures by identifying groups where extra efforts are needed to obtain views and information. If some of the identified stakeholders are not willing or capable to engage, we will contact the second-best option in our list of stakeholders. This way we ensure that all relevant stakeholders are represented despite external limitations.

### 3.3. Online public consultation

At the beginning of the implementation phase, the project team will launch a general public consultation open to all stakeholders across the EU and Thailand. This public consultation will consist of an online questionnaire that will be launched in what is called an OPC format. The OPC will run for three months. It is aimed at gathering input on the social, environmental and human rights impacts of the FTA as well as covering general non-technical economic questions. The OPC will seek to collect information across these areas with balanced representation amongst various stakeholder groups. The questionnaire results will be triangulated with the quantitative analysis to measure the impact of the SIA on the non-trade priorities identified through the consultations.

The questionnaire includes a combination of closed-ended and open-ended questions. Based on suggestions of DG Trade's Evaluations Office communicated in a project team meeting,<sup>46</sup> the questionnaire will include general awareness questions with an option to answer more specifically, balancing between judgement criteria. DG Trade's Evaluations Office further emphasised that the questions should be tailored to the audience. Concretely, the OPC focuses on the consumer perspective on social, human rights and environmental questions, whereas economic questions should be rather broad and not too technical.<sup>47</sup>

<sup>46</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>47</sup> Ibid.

Given that the online questionnaire is aimed at a wider audience, it is important to balance collecting as much relevant information as possible and the respondent's willingness to respond to several complex questions. To do so, the survey follows the *conditional branching* approach, where a custom set of follow-up questions will be created that vary based on a respondent's answers. Based in part on the Better Regulation Toolbox Chapter 7, the survey design aims at a questionnaire that is brief, logical, easy to follow (flows well from one question to another), and that it provides scope for additional information without making it cumbersome for the respondent. The proposed questionnaire for the OPC can be found in Annex 11.

Once the content is confirmed, the questionnaire will be programmed into EU Survey in English and automatically translated into all EU languages using the platform, it will also be available in Thai. Close monitoring and proactive promotion of the consultation during its open phase will be conducted to ensure an as high as possible response rate and a balance between different stakeholders. The consultation will be promoted through the FTA website, which will include a link to the OPC, and all stakeholders listed in the database will be informed about it through the emails/electronic newsletters, having received their previous and explicit consent. These emails/newsletters include monthly updates on the SIA as well as reminders to participate in the OPC. Stakeholders can opt out of the email/newsletter list at any time if they do not wish to obtain more information about the SIA. Finally, the OPC will also be promoted through the social media of the study, DG Trade, and the EU Delegation in Thailand.

### 3.4. Business survey

Before conducting face-to-face interviews with key stakeholders across the EU, Member States, and Thailand, the project team will launch a business survey, to be distributed via trade associations, SME associations, networks in the EU and Thailand, and the FTA website. The results of these business surveys will be used for a precision of the economic and sectoral analyses, the precision of assumptions as well as to identify areas of further investigation for our interviews.

To obtain a comprehensive list of stakeholders across Thailand and the EU to include, we will combine a range of sources to ensure the sufficient coverage of SMEs:

- The stakeholder database in Annexes 9 and 10, which already contains many business associations including those representing SMEs
- Websites such as European Association for Business and Commerce (EABC) in Thailand and the European Commission's "Access to Finance", which allow the classification of companies based on size.
- Local and regional chambers of commerce in the specific areas and sectors targeted
- Industry associations and directories
- Recent industry events, network opportunities and social media
- University-linked organisations.

During a meeting with DG Trade's Evaluations Office, the project team discussed that the business surveys should include more specific and technical questions as well as questions on engagement.<sup>48</sup> The questionnaire utilised in the ex-post evaluation of the EU-Japan FTA and the EU-India SIA were offered as examples of the business survey and employed as a model for the business survey presented in Annex 12.

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<sup>48</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

Upon approval of the questions, the project team will pilot the business survey with a select group of individuals to ensure it is easily navigated and accessed. The business survey includes a question on the interest of the respondent to participate in an interview or focus group, see the next sub-section.

Regarding the implementation, dissemination, and management of the targeted surveys, the project team has vast experience with survey management and is well-connected in both the EU region as well as Thailand through its vast network of local experts. Having conducted several surveys, seminars and over 10 roundtables with EU stakeholders regarding trade-related analyses before, the project team can draw on a wide network of stakeholders to support with the dissemination. Within Thailand, the project team has a network of local experts who are committed to draw on their own networks to raise awareness of the survey. As with the OPC, support promoting the business survey from DG Trade and the EU Delegation in Thailand have also been offered.

### 3.5. Interview/focus group

In-person and virtual interviews with the business community, social partners and civil society will be used for stakeholders who prefer to provide face-to-face input based on trust and high interest in the study. In addition to the interviews, where deemed appropriate, stakeholders will be combined in small groups for virtual roundtables. We also plan to organise roundtables for each of the case studies to ensure effective data collection, plus identification of priority issues. This will also help include portraits of key companies relevant to the case studies. The interviews and focus group inputs are used to validate findings with individuals and groups, but they can also add new information, which we will triangulate with other sources. Eventually, focus groups can also be used to address stakeholder concerns.

These methods are also suitable when the project team seeks to engage in a richer and more focused discussion. Targeted consultations with proposals for a discussion will ensure that groups that need special focus, or that are not familiar with the consultation process and have lower capacities, are not missed out.

The project team will conduct a minimum of 50 interviews, lasting between 30 and 45 mins, which is sufficient to extract key messages based on a solid interview guide. Table 5 provides an overview of the proposed breakdown of interviews in the EU and Thailand.

**Table 5. Proposed number of targeted interviews**

Type of stakeholders	EU		Thailand	Approximate number of interviews
Businesses, ensuring the representation of SMEs	5		5	10
Social partners	5		5	10
NGOs	5		5	10
Economic Operators – including trade intermediaries, freight forwarders, Conformity Assessment Bodies and others	3		3	6

Trade Associations and Facilitators, including Enterprise Europe Network, Trade Promotion Organisations, Business Europe, Commercial Chambers	5		5	10
Academia	3		3	6
International Organisations	0		3	3
<b>Approximate number of interviews</b>	<b>26</b>		<b>29</b>	<b>55</b>

In terms of recruitment, all stakeholders in the database will be sent an email explaining the purposes of the research, inviting them to take part, and providing an opportunity to opt out of future contact about the research. Emails will then be followed up with phone calls to encourage them to take part in the research. Annex 13 presents sample text of an initial invitation email. The text intends to motivate stakeholders to participate by:

- Highlighting the importance of the study and how it can help organisations;
- Utilising existing networks to endorse the research;
- Sharing results and findings;
- Offering flexibility to ensure that stakeholders find it easy to participate.

For this purpose, two different interview guides have been developed and are presented in Annex 14 for validation by DG Trade before their implementation:

- One guide for interviews with the private sector, and which aligns with questions for the business survey;
- One guide for interviews with civil society, with a stronger focus on social, environmental, and human rights impacts.

The guidelines ensure consistency in the questions asked, facilitate a structured approach to gathering relevant information, and help interviewers navigate discussions while capturing detailed insights from stakeholders. These guidelines will also ensure that key topics are covered, and that the data collected is comparable across interviews. They will further assure the interviewees that the evidence provided will be used exclusively for this research project, and responses will be anonymous, compliant with all legal obligations.

Interviews will be conducted during the implementation phase. The project team will prepare a robust interview analysis grid to be completed by interviewers, which would further ensure the high quality of the interview material gathered.

### 3.6. Civil Society Dialogue meetings

Meetings with EU civil society will focus on presenting the project team's approach, screening, and ongoing work, and provide an opportunity to discuss the work with civil society in Brussels, as part of DG Trade's CSD. The CSD will increase visibility of the study and thus attract input, while the discussions will be used to validate findings and potentially obtain new information.

Since the CSD is a set of regular meetings where civil society and the Commission discuss trade policy issues, their organisation is led by the Commission, but the project team will provide all relevant materials.

The first CSD is tentatively scheduled for the week of 19 January 2026 where this report and the heat map (to be delivered by 9 January 2026) will be presented. During the meetings, presentations will be as short and non-technical as possible, and participants will receive a list of items to be discussed ahead of time. Minutes of each meeting will be published both on DG Trade's and the FTA website.

### 3.7. Workshop in Thailand

To ensure a comprehensive and inclusive consultation process, the project team will organise a full, one-day, in-person workshop in Thailand. The workshop will bring together a diverse group of stakeholders, including civil society, businesses, government representatives, social partners, and international organisations. The results of the workshop are used to validate preliminary analyses and impact scenarios, identify key concerns of the participating groups, and translate these insights into concrete inputs for the further development of the SIA and the related FTA negotiations. Further, the stakeholder input will be directly integrated into our final report.

**Participants:** A balanced list of participants and speakers will be developed and reviewed together with the EU Delegation to Thailand and approved by the SIA ISSG. The event will be published through the SIA website and local media, issuing of press releases, and sending of invitations to approved participants.

**Pre-workshop preparations:** A pre-workshop discussion and a short participant survey will be used to gather expectations, key concerns, and areas of interest of the participants in advance. This input will help to tailor the content and breakout sessions. With this information, the project team will provide a concise document, summarising the SIA, key findings to date, and the workshops objectives, include guiding questions for each thematic group. These efforts aim to enable participants to come prepared and reduce time spent on explaining the background during the workshop.

**Timing and venue:** Following preliminary discussions with the project team in Thailand and the EU Delegation in Thailand, a tentative date of 21 May 2026 has been proposed. This takes into account the timing and needs of the project – after the submission of draft chapters (4th month) and before the submission of the draft final report (9th month) –, the potential for elections in 2026 and the holiday period in April and May, as well as availability of the EU Delegation. The venue will be a 4-star (EU equivalent) hotel or conference centre in Thailand, subject to approval.

**Workshop execution:** The workshop will be conducted in both English and Thai, with interpretation provided throughout. A local, professional moderator, recommended by the Thailand Development Research Institute (TDRI), will facilitate the sessions to ensure effective dialogue and engagement. The project team will ensure that all voices are heard, especially from underrepresented groups. Round-robin formats and breakout rooms will be used to encourage participation and to allow all stakeholders to speak freely on all issues.

**Post-workshop:** A follow-up survey of participant will be shared participants to collect feedback on the workshop. Proceedings and outcomes will be published on the SIA's website, with clear communication on how stakeholder input has been integrated into the final report. They will also be shared with stakeholders via a thank-you email. A comprehensive summary of the workshop, including the list of participants and key insights, will be included in the SIA final report.

#### Draft Programme: Stakeholder Workshop in Thailand

Title: Inclusive Stakeholder Consultation on the Sustainability Impact Assessment (SIA)

Location: TBC

Date: TBC

Languages: English and Thai (simultaneous interpretation provided)

Participation from SIA team: Elitsa Garnizova, Jean-Baptiste Velut, Charlie Petracco, Nattapan Kongbuamai, and Saowaruj Rattanakhmfu.

08:30 – 09:00 | *Registration and Welcome Coffee*

- Participants check-in
- Distribution of workshop materials

09:00 – 09:30 | *Opening Session*

- Introduction by the SIA Project Team – Dr Elitsa Garnizova, Project Director
- Welcome remarks by the EU Delegation in Thailand
- Remarks by an invited speaker from an International Organisation – Proposed Speaker: Mr Yann Duval, Trade Policy and Facilitation Section, Trade, Investment and Innovation Division (TIID), ESCAP

09:30 – 10:30 | *Presentation of the Draft SIA Findings*

- Overview of the SIA methodology and key findings – Charlie Petracco
- Sectoral and regional impacts

Q&A session

10:30 – 11:00 | *Coffee Break*

11:00 – 12:30 | *Stakeholder Panel Discussion*

- Theme: Perspectives on Trade and Sustainable Development
- Panellists: Representatives from social partners, business, and international organisations
- Moderated discussion with audience Q&A

12:30 – 13:30 | *Networking Lunch*

13:30 – 15:00 | *Thematic Working Groups (Parallel Sessions)*

Participants will split into breakout groups to discuss specific themes:

- Group A: Environmental Impacts and Climate Resilience
- Group B: Labour Rights and Social Inclusion
- Group C: Economic Opportunities and Challenges
- Group D: Governance and Institutional Capacity

Each group will have a facilitator, interpreter, and rapporteur.

15:00 – 15:30 | *Coffee Break*

15:30 – 16:30 | *Plenary Session: Reporting Back*

- Rapporteurs from each group present key discussion points and recommendations
- Open floor for additional comments

16:30 – 17:00 | *Closing Remarks*

- Summary of key takeaways
- Next steps in the SIA process
- Closing by the SIA Project Team

### 3.8. Digital outreach tools

Digital outreach tools will include the SIA website, LinkedIn, and Facebook, which will provide up-to-date information on the state of the SIA, the upcoming stakeholder engagement events, documents related to the SIA, and a platform for stakeholders to engage and share information. Additionally, DG Trade confirmed involving their social network and communications team for publication and promotion.<sup>49</sup> The purpose of these digital outreach tools is to ensure representation of all stakeholder groups through operating a broad range of outreach channels.

The dedicated project website, [EUThailandSIA.org](https://EUThailandSIA.org), serves as a primary outreach tool providing information on the progress of work and allowing interaction with civil society and all other relevant stakeholders. The website is designed to facilitate regular interactions with stakeholders, including inputs on the basis of SIA information made available online. See screenshots below.

The website includes a specific feedback mechanism, an easily accessible summary on the stage of the SIA process, a search function and all appropriate SIA-related information. In addition, it will include an introductory paragraph in all official EU languages explaining the scope and objective of the SIA, and it will be updated at least every two weeks from creation until the end of the contract, and it will remain active for at least two years after the date of approval of the final report. All final reports will be made public on the website. Other relevant outputs, including regular updates on the SIA process and findings and documentation sources will also be published on the SIA website. All meetings with civil society (in the EU and in Thailand) will be appropriately announced on the SIA website.

**Image 1. Screenshot of SIA website: Home page (above the fold)**



<sup>49</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

Image 2. Screenshot of SIA website: Home page (below the fold)

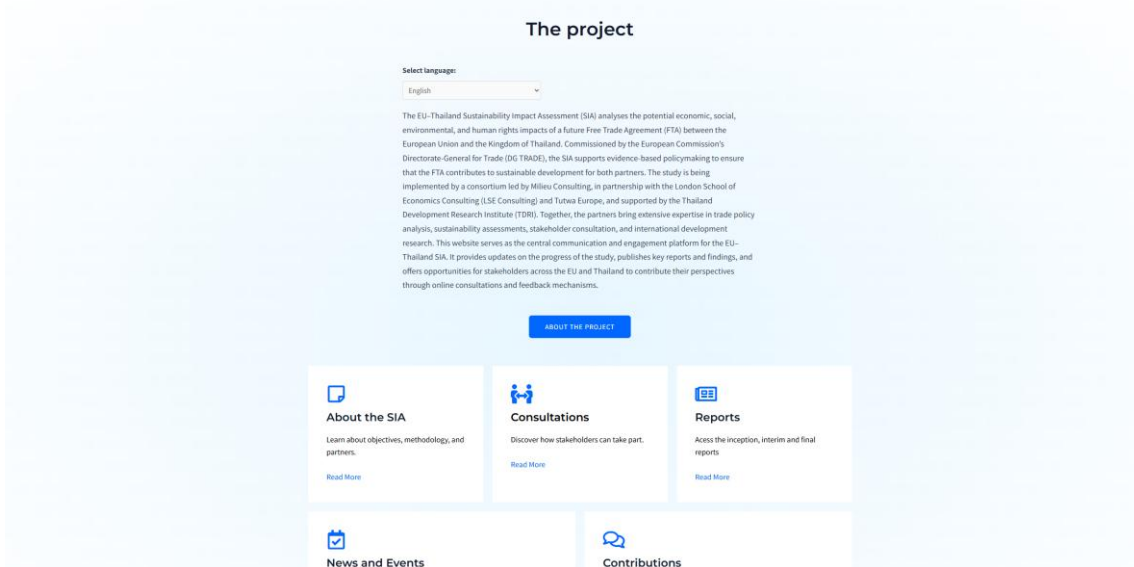
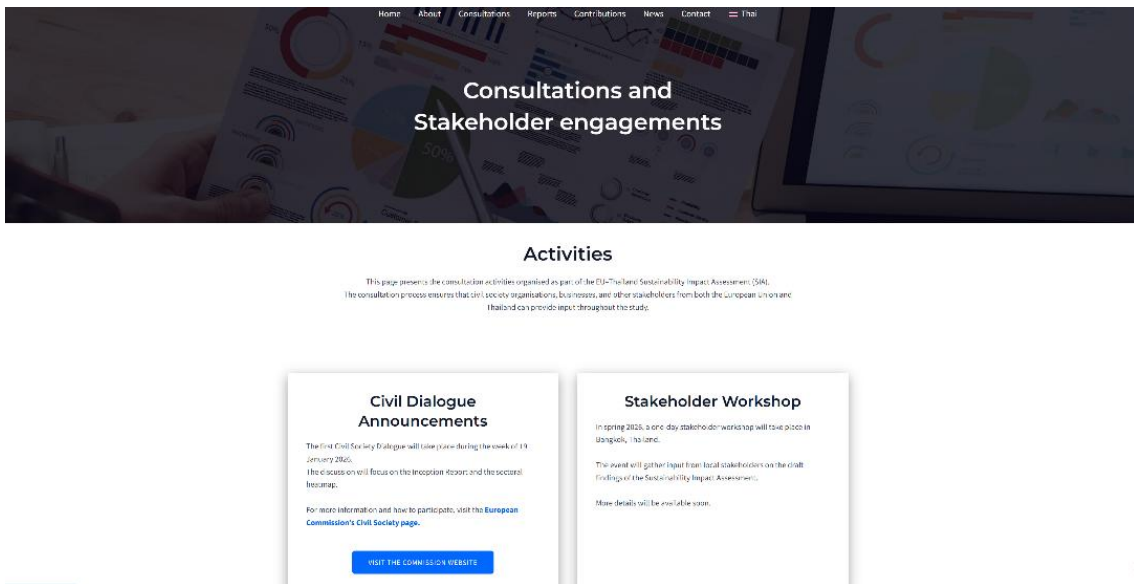


Image 3. Screenshot of SIA website: Consultations page announcing stakeholder engagement opportunities



#### Image 4. Screenshot of SIA website: Contributions page allowing for comments, questions, and information to be submitted

**Contributions**

Join the discussion on the EU-Thailand trade partnership

The SIA process relies on input from stakeholders across the EU and Thailand, including civil society organisations, businesses, academic experts, and public authorities. This page provides a space for sharing perspectives and questions related to the study.

**Submission Form**

Full Name\*

Email Address\*

Organisation\*

Country\*

Stakeholder category\*

Message\*

[SUBMIT](#)

As part of the outreach purposes for the project, other tools such as email, newsletter and social network pages will be developed to inform stakeholders regularly and pro-actively about the SIA process, including the main findings and the consultation activities. According to the EU's Delegation in Thailand, Facebook is a particularly popular social media platform, which should be used to reach a wide range of stakeholders.<sup>50</sup>

During a project team meeting, the EU's Delegation in Thailand emphasised the importance of a letter of introduction before reaching out to the stakeholders.<sup>51</sup> The letter of introduction will explain the timeline, project objectives and will direct to the website. Further, the EU's Delegation in Thailand suggested to send a follow-up email in case of no response or to get more information on specific issues.<sup>52</sup>

### 3.9. Risk and mitigation strategy

In relation to the preceding chapter, we start with risks and mitigation strategies linked to the consultation process and follow with those applicable to the whole project.

#### **Risk 1:** *Limited feedback from online consultations*

**Issue:** The experience with online questionnaires is that feedback received is often limited and that reduces its usefulness for the assessment of complex issues, such as the ones to be tackled under this study.

**Mitigation strategies:** 1) We will actively promote the questionnaires from the moment they are online and propose a three-month period for responses and feedback. CSD meetings in the EU can also be used to further promote the online survey, as well as social media. DG Trade confirmed during a project team meeting that they will promote the OPC through their network.<sup>53</sup> Further promotion activities will also be planned for Thailand. For example, the EU's Delegation of Thailand mentioned during a project team meeting the importance

<sup>50</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>51</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>52</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>53</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

of Facebook as a social media platform.<sup>54</sup> Such local knowledge will be used to promote the surveys. 2) We will complement the online survey with comprehensive targeted consultations, incl. interviews.

**Risk 2:** *The lack of balance in received feedback*

**Issue:** It may happen that business associations or other organisations that are more familiar with the consultation process and have larger capacities to collect evidence and to engage will provide feedback, e.g., replies in online surveys, while the others remain silent.

**Mitigation strategies:** 1) Through the EU-based team and Thailand-based experts, we have already identified and will continue identifying stakeholders relevant for all areas of the analysis and will include them in our communications. 2) We plan targeted interviews with stakeholders from each group, including some conducted in person, as appropriate, by Thailand-based experts to get views from groups/organisations who may otherwise do not engage actively. Likewise, we will reach out to EU stakeholders who will be important for our study and who will not engage from their own initiative. 3) We will also seek views of horizontal or international organisations relevant for the issue / area not covered otherwise. Finally, during a project team meeting, the EU's Delegation of Thailand suggested to send follow-up emails after having reached out to stakeholders, either in case of no response or to dig deeper into a specific issue.<sup>55</sup>

**Risk 3:** *One-sided consultations*

**Issue:** It may happen that stakeholder consultations end up with the project team sending out information and asking for feedback, without getting much in return, especially, if the local stakeholders are not familiar with the SIA approach and economic modelling.

**Mitigation strategies:** 1) We will inform the stakeholders in advance about the steps in the project, the expected timeline, and opportunities to provide feedback. We will use the project website, meetings, and social media channels to promote the study and to engage. Based on a suggestion of the EU's Delegation in Thailand during a project team meeting, we will also send introduction letters to stakeholders when reaching out for the first time.<sup>56</sup> 2) We will prepare short information materials for the stakeholders we will approach for meetings and interviews to help them familiarise with project objectives and understand our requests.

**Risk 4:** *The lack of representation of some interests*

**Issue:** It may happen that some organisations, due to capacity constraints or other reasons turn out to be unwilling or not able to engage, potentially creating a coverage gap.

**Mitigation strategies:** In case some of the identified stakeholders are not willing or able to engage, we will look for the "second best option", i.e., other representatives of the same group or sector, horizontal organisations with a broader thematic coverage or international organisations active in the same area. Additionally, some stakeholders have the concern that their input is not considered. Therefore, we will provide a clear annex where we will notify how we have incorporated the feedback.

**Risk 5:** *Outreach to vulnerable groups*

**Issue:** It is always most challenging to reach the most vulnerable groups in the society to engage with.

**Mitigation strategies:** In addition to a thorough overall screening of key stakeholders in the EU and Thailand, we have included in our team experts who know well the stakeholder networks in Thailand. This should enable us to also reach vulnerable groups in ways that are customised to Thailand and that work in practice.

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<sup>54</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>55</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

<sup>56</sup> Meeting with members of the EU's Delegation in Thailand, DG Trade and LSE, conducted on 05.11.2025.

**Risk 6:** *Delay of stakeholder input*

**Issue:** Stakeholder input may arrive too late in the consultation timeline, reducing its potential influence on the negotiation process.

**Mitigation strategies:** In order not to delay the input of stakeholder views in the consultation, the team will be communicating key findings to DG Trade in project meetings throughout the life of the project. This would ensure that stakeholder inputs have an impact during the negotiations themselves.

## 4. Workplan: outputs and timeline

This report is the culmination of the first of the three phases of SIA, which include the inception phase, the interim phase and the final phase. Each phase brings with it specific outputs, outlined below and for which further detail is provided in the Terms of Reference. A timeline for the SIA, including the outputs, is provided in Annex 16. Following the kick-off meeting on 21 October 2025 between the study team and the Commission, the finalisation of the study is currently planned for 30 September 2025.

The **output of the inception phase is the inception report**, the draft version of which is due one month after the kick-off meeting, 21 November 2025. Limited to 50 pages, including the executive summary, that will be translated into French, and German, the inception report includes:

- Overview of the study, its objectives, and the structured phases of the work
- Detailed presentation of the methodological approach and data sources for the analysis of the economic, social, environmental, and human rights impacts
- The draft stakeholder consultation plan, including how it will be implemented and how groups will be engaged, a preliminary list of the representative sample of relevant stakeholders (both in the EU, Thailand, and beyond)
- Outlines of the expected content for the interim and final reports (see Annex 17)

The **interim phase outputs will include a heat map of sustainability issues and draft chapters of the final report**. The heat map will be a maximum of 6 pages and will analyse key issues in terms of sustainability that are linked to the FTA. It is a tool to summarise the results of the screening of the sustainability issues, as outlined in this report. It will include a list of sectors where the FTA is likely to have significant impact, it will specify the type of risk, and, if possible, the level of certainty of the risk. The heat map will be delivered by 9 January 2026.

The draft chapters, due 21 February 2026, will include findings of the economic, social, environmental, and human rights analyses, totalling approximately one-third of the final report.

The **outputs of the final phase will be the draft final report, due 30 June 2026, and the final report, due 30 September 2026**. The draft final report will include:

- All the analytical work assessing the economic, social, environmental, and human rights impacts;
- The main findings and related recommendations;
- An overview of the outcome of the public consultation activities.

The final report will contain:

- A detailed description of the methodological approach to the SIA;
- The impact, and results of the economic, social, environmental, and human rights analyses;
- Details of all the consultation activities undertaken, including contacts with stakeholders in the EU, Thailand, and relevant third countries, CSD minutes, account of all activities, the feedback gathered, and how it was utilised;
- Conclusions and recommendations, including flanking measures.

Stakeholder consultations will be carried out throughout all phases of the study, accompanied by meetings with the Inter-Service Steering Group (ISSG) and with EU civil society through the CSD format.

## GETTING IN TOUCH WITH THE EU

### In person

All over the European Union there are hundreds of Europe Direct information centres. You can find the address of the centre nearest you at: [https://europa.eu/european-union/contact\\_en](https://europa.eu/european-union/contact_en)

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