

1.2. Summary of the Action

The proposed action intends to enhance the EU-Thailand partnership. The Cooperation Facility will support this objective by providing a facility to continue and reinforce EU-Thailand relations and policy dialogue. It will promote an increased alignment between EU-Thailand interests, principles, policies and values, complemented by increased understanding and visibility of the EU and its role in the region and the world scene. More specifically, the Facility will promote universal and shared values on human rights, gender equality, democracy, security, the environment, business and trade relations. By doing so it will deepen bilateral trade and investment relations, based on shared principles on sustainable production and consumption, strengthen environmental protection and conservation in Thailand, while supporting climate change mitigation and adaptation and, more broadly, the implementation of the 2030 agenda and the Sustainable Development Goals (SDGs). It will also allow the EU to uphold universal Human Rights values, and to better respond to global challenges and build resilience in a flexible, forward-looking and strategic manner in its relationship with Thailand and other partners.

The Cooperation Facility will consist of a wide range of tools, initiatives and activities to achieve the objective of advancing EU strategic interests and priorities in Thailand, of enhancing the EU-Thailand partnership, and of strengthening Strategic Communication and Public Diplomacy.

The Overall Objective (Impact) of this action is to enhance the EU-Thailand partnership.

The Specific Objectives (Outcomes) of this action are to:

1. Continue and reinforce EU-Thailand relations and policy dialogues;
2. Promote an increased alignment between EU-Thailand interests, principles, policies and values, including human rights and gender equality, with a particular focus on the 2030 Agenda and the Sustainable Development Goals (SDGs);
3. Build increased awareness, understanding and approval of the EU and its role in the country, the region and the world.

2. RATIONALE

2.1. Context

Thailand, a Middle Income country (MIC), has a difficult contemporary political history with 13 military coups d'état and 20 constitutions since 1932, reflecting a high polarisation and a political culture with a strong winner-takes-all element. The latest military coup occurred in May 2014. A new constitution was adopted in 2016 and general elections were held in 2019, the first fully contested polls since 2011, leading the general who was behind the coup in 2014 to become an elected Prime Minister. The pandemic has severely affected Thailand's economy, with the tourism sector, which makes up 15% of the economy, especially hard hit. In 2020 alone, close to 9 million people lost their jobs, affecting middle-class households and the poor alike, and worsening the gap in income and wealth distribution among the population as well as gender inequalities. The human development index (UNDP) of Thailand is just slightly higher than the one of China.

With the upgrade of EU-ASEAN relations to the level of strategic partners, the EU's relevance as an interlocutor for Thailand is key for the EU's broader influence in the region.

In line with the EU strategy for cooperation in the Indo-Pacific, the EU is pursuing a balanced and broad engagement with Thailand to improve overall relations and to promote universal and shared values on human rights, including gender equality and women's empowerment, labour, democracy, the environment and multilateralism.

There are ongoing discussions to update the previously initialled Partnership and Cooperation Agreement (PCA) and, if the conditions are right, steps could be taken towards a possible resumption of negotiations for an ambitious and comprehensive Free Trade Agreement (FTA).

The EU has a strategic interest in strengthening its relationship with Thailand because:

- The Kingdom is an important and committed ally in defence of multilateralism and a rules-based international order; Thailand could become a partner in security cooperation.