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Effect of Floods in Thailand in 2011

Submitted by: Thailand



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Effect of Floods in Thailand in 2011

- Producers can not produce goods as usual
- Inadequate supply of necessary things for survival such as; food, drinking water, housing, clothes, drugs, boats, etc

Result of Floods

- People suffered from living in bad conditions
- Businesses suffered from not being able to get import duty exemptions since the conditions could not be completed
- Lack of input products supplied to the manufacturers to a point that some operators have to close down their business

Role of Government

- Take all controls for flood solutions
- Implement all measures necessary to be done for private sector recovery

Short Term

- Issuing Notification of the Ministry of Finance for
 <u>Customs Tax Exemption</u> base on the existing Customs Act
 - **Benefits:** 1) for raw materials which could not meet the conditions for duty exemption under drawback measure
 - 2) for relief consignments

Problems

- 1) Using the Notification of the Ministry of Finance covered only

 Customs Tax Exemption but does not include other taxes. Then it

 may not be appropriate.
- 2) The relief consignments are all duty exempted but there are a lot of conditions and complex procedures. In some cases relief consignments cannot reach the victims in times of need. Duty exemptions do not cover all kinds of relief consignments.

Long Term

- 1) Review the policy regarding all tax exemptions
- 2) Amending the existing law for better result by following Resolution of CCC on the role of Customs in National Disaster Relief
 - Designated the definition of 'relief consignments'
 - Reduce conditions for exemption
 - Reduce restrictions and prohibitions
 - Make customs procedures more simple

'Relief Consignments' mean

- goods including vehicles and other means of transport, food stuffs, medications, clothing, blankets, tents, prefabricated house, water purification tools, water storage items or other goods of primary necessity, forwarded as aid to those effected by disaster: and
- equipment, vehicles and other means of transport, specially trained animals, provisions, supplies, personal effects and other goods for disaster relief personnel in order to perform their duties and to support them in living and working in the territory of the disaster throughout the duration of their mission

- → Don't need to import through government organizations or public charity organizations
- → Includes 'Vehicles'
- → No "economic character" restrictions
 - considerations of public morality or order
 - considerations of public security
 - considerations of public hygiene / health
 - veterinary or phytosanitary considerations
 - considerations relating to the protection of endangered species of wild fauna and flora
 - considerations relating to the protection of copy right and industrial property

Status

The amending of Law is completed since 2013 waiting for proceed to the law enactment process specified in the constitution law

Expectation

This draft amending law could be restart the process again once Thailand has the new Government soon

Questions & Answers

Thank You