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KEY WORD: PALM OIL/SOILBEAN OIL/CEPT SCHEME/AFTA

PAITTOON BOONPRASERT : EFFECT OF THE AGREEMENT ON FREE TRADE AREA TO  
ECONOMIC LAW : PALM OIL INDUSTRY AND RELATED INDUSTRY. THESIS  
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This research has the objective to study how the implementation of the Common Effective Preferential Tariff Scheme (CEPT) for the Asean Free Trade Area effect the law of GATT and Thai economic law with respect to Palm Oil Industry and Related Industry.

It is found that the Asean members, including Thailand, have joint obligations to reduce their respective tariff rate to 0-5% pursuant to the agreement on tariff reduction under CEPT scheme and to eliminate the quantitative restriction of import. The principles under CEPT scheme are consistent to the principles of promotion of global trade liberalization under GATT. Accordingly, the restriction and administrative measures regarding Palm Oil Industry and related industry shall be gradually reduced pursuant to the schedule of tariff reduction under CEPT. Thailand, however, is entitled to restructure its import tariff within the time frame as it deems appropriate in order that the palm oil producers and related producers can develop their potential productivity which will minimize injury.

If the reduction of tariff causes or threantens to cause serious injury to domestic industry, Thailand is entitled to provisionally suspend its preference in accordance with Article 6 on Emergency Measures or may impose the surcharge in accordance with Thai Anti-Dumping Act B.C. 2507 etc. In addition, it should promote the vertical integration of producers as the Malaysia has been done.