



EMBASSY OF THE  
UNITED STATES OF AMERICA  
BANGKOK

สำนักงานรัฐมนตรี  
เลขที่รับ 6383 วันที่ 30 ก.ค. 56  
เวลา 14:53  
ที่ -  
ลว.29 ก.ค. 56

THE AMBASSADOR

รพช. กค.  
เลขที่รับ E. 1b  
วันที่รับ 30 ก.ค. 56

July 29, 2013

รพช. กค. เบญจจา  
เลขที่รับ 129  
วันที่รับ - 8 ส.ค. 2556

16.05 น.

Excellency:

I have the pleasure of forwarding to you the enclosed letter from United States Trade Representative, Ambassador Michael B.G. Froman.

Sincerely,

*Kristie A. Kenney*  
Kristie A. Kenney

Enclosure: as stated.

① รพช. รพช. เบญจจา

*วิมลพร*

*ลพ*

His Excellency  
Mr. Kittirat Na-Ranong,  
Deputy Prime Minister and Minister of Finance,  
Ministry of Finance,  
Thanon Rama VI,  
Bangkok 10400.

(นายกิตติรัตน์ ณ ระนอง)  
รัฐมนตรีว่าการกระทรวงการคลัง  
8 ส.ค. 2556

② กษ/อชคทกร -  
สีจวททททท

13 ส.ค. 2556

(นางเบญจจา หลุยเจริญ)  
รัฐมนตรีช่วยว่าการกระทรวงการคลัง

EXECUTIVE OFFICE OF THE PRESIDENT  
THE UNITED STATES TRADE REPRESENTATIVE  
WASHINGTON, D.C. 20508

JUL 26 2013

H.E. Kittirat Na-Ranong  
Deputy Prime Minister and Minister of Finance  
Kingdom of Thailand, Bangkok

Excellency:

Congratulations on your reappointment as Deputy Prime Minister and Finance Minister in Prime Minister Yingluck Shinawatra's new Cabinet. I enjoyed the opportunity to visit Thailand during President Obama's visit last year and welcome the opportunity to work together to strengthen our bilateral economic relationship. I understand there is ongoing consideration by your government of potential Trans-Pacific Partnership (TPP) membership at some point in the future, and if we can be helpful by providing you with any additional information about TPP, please let me know.

I also want to make you aware of a serious difficulty faced by a U.S. company in the Thai market. The U.S. company, Amway, has had a positive presence in Thailand for many years. It employs 950 Thai citizens directly and more than a thousand Thais operate as independent distributors of the company's products. Despite this positive role in your country's economy, Thai Customs is not treating Amway in a fair and transparent manner.

Our understanding is that Thai Customs is seeking to collect from Amway an enormous payment for reasons that are highly questionable. Thai Customs claims that bonuses made to Amway's independent distributors should be added to the customs valuation of imported products for the purpose of assessing duties. This interpretation is inconsistent with international practice and makes little sense, as bonuses made to distributors are obviously unrelated to the customs value of an imported product. If not changed, this interpretation could have devastating consequences for the direct selling business in the Thai market and the jobs that it supports.

In 2010, in an effort to resolve this longstanding issue, Amway agreed to a proposal from the Thai Trade Representative and Thai Customs to refer the issue to the World Customs Organization (WCO), where it could be studied by technical experts as a case analysis. There was an understanding among all participants that they would agree to resolve this matter on the basis of the WCO discussion. However, earlier this year, just as a consensus was being reached that the bonuses should not be considered part of the customs value for purposes of duty assessment, which would have been consistent with Amway's position, Thailand's representative to the WCO intervened to block the consensus, effectively terminating the discussion and renegeing on the commitment made to Amway. We are understandably concerned by this action by Thai Customs, which suggests a disregard for international practice and a lack of good faith in working with Amway to find a solution.

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We note with particular concern that a key provision of Thai customs law may be contributing to Thai Customs' questionable treatment of Amway. That is the reward sharing provision, which allows Thai customs officers to keep a large percentage of duties and penalties collected in investigations such as this one. Reward sharing is inconsistent with international practice and has been discontinued by other major trading nations due to well-founded concerns that it causes conflicts of interest such that key actors, including customs officers, may have a greater interest in collecting large payments from traders than in ensuring effective customs administration. I understand that Thailand has considered legislation to eliminate the reward sharing system, which we would view as a positive step in improving the fairness and transparency of the Thai customs regime.

I would be grateful if you would look into this matter to see if it can be resolved.

I hope that it will be possible for us to meet in person soon.

Sincerely,



Ambassador Michael B. G. Froman

cc: H.E. Niwatthamrong Boonsongpaisal, Minister of Commerce  
H.E. Chaiyong Satjipanon, Ambassador of Thailand to the United States of America  
H.E. Kristie A. Kenney, Ambassador of the United States of America to Thailand  
Mr. Tarit Pengdith, Director General, Department of Special Investigations