

ABSTRACT

Since Northern Thailand is strategically located at the area sharing border with Cambodia, Lao PDR, Myanmar and Vietnam, trade primarily constitutes as an engine of growth. This study examines trade facilitation performance of Northern Thailand based on the business perspective and institutional development framework at regional level and draw implications for trade and sustainable development. Major trade facilitation measures are investigated based on the World Bank's survey instruments and the indicators are developed. The comparative study on trade facilitation among four provinces of Northern Thailand allows us to draw capacity building program for strengthening institutional capacity to meet the business expectation. The findings also highlight the potential measures to encourage traders' competitiveness through trade efficiency gain that can be obtained under effective trade facilitation measures.

Trade infrastructure analysis on other GMS countries is performed to highlight the critical need of regional cooperation in trade infrastructure development. Finally, the effects of trade facilitation measures on trade and development of Thailand is explained applying instrumental variable models with bilateral trade flows of Thailand and its other GMS countries. The result suggests the evidence on the effects of trade cost in the context of location distance and domestic credit of GMS countries on bilateral trade.

