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Siam University

A Study of Trading Relationship Between Guangxi, China and Thailand

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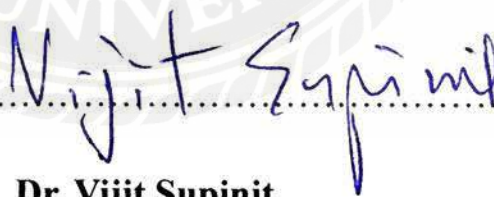
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MBA: International Business Management

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Requirement for the Degree of Master of Business Administration in
International Business Management**

Supervisor.....

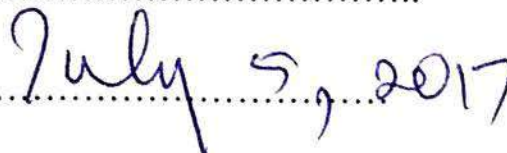


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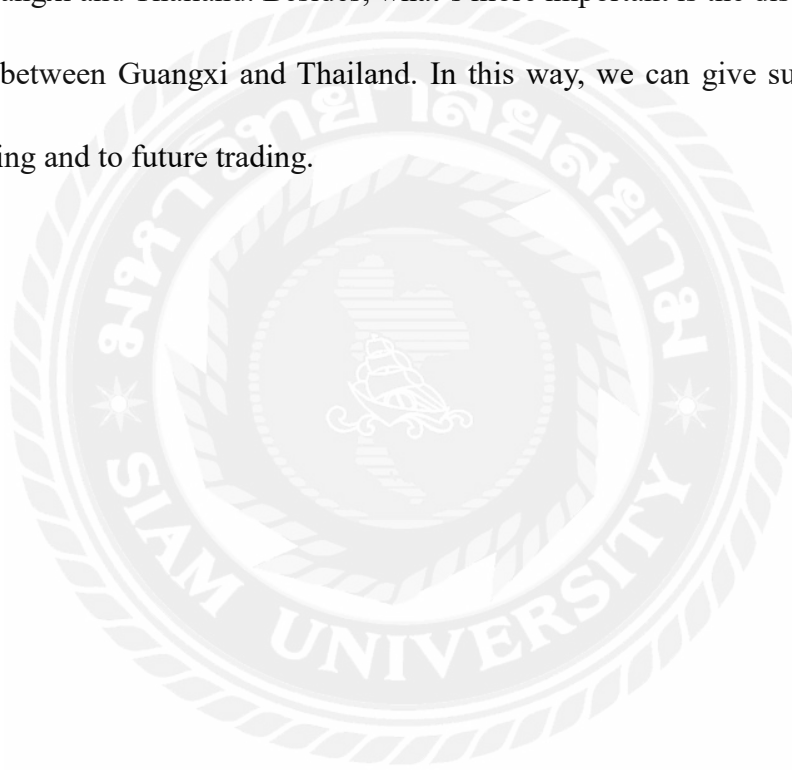
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Abstract

This independent study was about the trading relationship between Guangxi, China and Thailand. Guangxi is one of the provinces and autonomous regions cooperating with China to participate in the Greater Mekong Subregion. With this study, we can see the overall trading relationship between Guangxi and Thailand as well as a deeply look at some aspects. We are going to discover the advantage of the trading between Guangxi and Thailand. Besides, what's more important is the disadvantage of the trading between Guangxi and Thailand. In this way, we can give suggestions to current trading and to future trading.



Acknowledgements

First of all, I would like to express my gratitude to Dean of Graduate School of Business at Siam University, Dr. Vijit Supinit for his thoughtful and caring supervision. Without his Help, it was impossible for me to finish my Independent Study.

Secondly, I would like to thank my family who has been supporting my study in Thailand.

Lastly, I would like to thank my friends for helping me when I met problems.



Chapter 1

Introduction

1.1 Background of the study

It's been more than 40 years since Thailand and China built up a cooperation relationship. Since 1975 Guangxi province, China has been in a good trading relationship with Thailand, especially after Reform and Opening in 1979. Since the establishment of diplomatic relations between China and Thailand, Guangxi and Thailand trade has experienced a gradual development and growth process.

There are high-level contacts since 2008. Leaders of Guangxi province and Thailand visit each other for trading. There are also mutual investment between these two areas. In 2013, Guangxi's imports and exports to Thailand also showed a rapid growth trend, Guangxi and Thailand trade amounted to 491 million US dollars, an increase of 61.2%, of which exports 206 million US dollars, down 8.7%, imports 285 million US dollars, an increase of 261.7%. Thailand ranks fifth in trade with Guangxi and ASEAN, with bilateral trade accounting for 3.1% of total trade with Guangxi and ASEAN.

In 2013, Guangxi exported to Thailand, the main commodities were: phosphoric acid, bulldozers, road machines, graders, scraper, talc, centrifuges, steel products. Guangxi imported from Thailand, the main commodities were: rubber and its products, integrated circuits and microelectronics components, tapioca starch, oil asphalt.

Besides, there are bidirectional investment and engineering contracting between Guangxi province and Thailand. Guangxi investment and project contracting situation

in Thailand: As of the end of 2013, Guangxi enterprises in Thailand, a total of 10 overseas investment projects, the agreement investment of 4.922 million US dollars, the Chinese side agreement investment of 2.24188 million US dollars, investment in chemical, electrical and mechanical, textile and other industries.

Thailand investment in Guangxi: As of the end of 2013, Thailand in Guangxi set up a total of 122 foreign-funded enterprises, contracted foreign capital totaling 320 million US dollars, the actual use of foreign capital totaled 272 million US dollars. In the ASEAN countries that invested in Guangxi, Thailand's actual use of foreign investment ranked third. Thailand's main investment in Guangxi is: manufacturing, real estate, construction, the proportion was 63%, 11%, 11%.

1.2 Importance of the study

Guangxi is one of the provinces and autonomous regions cooperating with China to participate in the Greater Mekong Subregion. In deepening GMS cooperation, Guangxi and Thailand have jointly promoted the cooperation of important areas such as interconnection construction and transportation convenience in the region. First, Nanning - Bangkok highway construction process to speed up. Nanning to Friendship Highway has been completed and opened to traffic, Beilun River Bridge, Shuikou River Bridge and other sectors of the river bridge project progressing smoothly. Second, the sea direct flights opened. In 2009 opened a direct route from Fangchenggang to Bangkok. Third, air direct recovery. In 2010, the flight to Nanning to Bangkok was resumed in 2009. Fourth, the level of customs clearance to improve the level of continuous improvement. Make full use of "GMS to facilitate cross-border passenger

and cargo transport agreement", "international road transport management regulations" and other international cooperation agreement, improve the port infrastructure construction, opening electronic ports, the establishment of GMS customs clearance information service station for international road transport "point to point" And people to create a good environment. Fifth, the preparation of the Pan-Beibu Gulf Economic Cooperation on the South New Economic Corridor onshore transport infrastructure, Pan-North cooperation port logistics and other special planning to strengthen the Nanning - Bangkok land transport construction, Guangxi and Thailand port cooperation proposed development Objectives, key projects and safeguard measures for Guangxi and Thailand to carry out further cooperation to lay the foundation.

1.3 Objective of the study

With this study, we can see the overall trading relationship between Guangxi and Thailand as well as a deeply look at some aspects. We are going to discover the advantage of the trading between Guangxi and Thailand. Besides, what's more important is the disadvantage of the trading between Guangxi and Thailand. In this way, we can give suggestions to current trading and to future trading.

The governments of both sides could also use this study for reference. For individuals and companies, this study can help them to look forward to their future business and help them to avoid mistakes.

1.4 Scope of the study

This study focused on one province - Guangxi in China and its trading relationship with Thailand. Guangxi is the province contacting Thailand directly in land. In the

construction of both China and Thailand, Guangxi is at a very important place.

Thailand is one of the ASEAN country. It is one of the very first one. Thailand is an import country in ASEAN and it has a very closed trading relationship with China.

Guangxi and Thailand together could be a bridge linking China and ASEAN.

This article mainly focused on trading relationship between Guangxi Province and Thailand



Chapter 2

Theory and related researches

2.1 Trading figures of Guangxi

| Economic Indicators | 2015 | | 2016 | |
|---|---------|----------------------|---------|----------------------|
| | Value | Growth (%, y-o-y) | Value | Growth (%, y-o-y) |
| Gross Domestic Product (RMB bn) | 1,680.3 | 8.1 ¹ | 1,824.5 | 7.3 ¹ |
| Per Capita GDP (RMB) | 35,190 | 7.2 ¹ | — | — |
| Added Value Output | | | | |
| Primary industry (RMB bn) | 256.5 | 3.9 ¹ | 279.9 | 3.4 ¹ |
| Secondary industry (RMB bn) | 771.8 | 8.2 ¹ | 821.9 | 7.4 ¹ |
| Tertiary industry (RMB bn) | 652.0 | 9.6 ¹ | 722.7 | 8.6 ¹ |
| Value Added Industrial Output Growth ² | — | 7.9 ¹ | — | 7.5 ¹ |
| Fixed-assets Investment (RMB bn) | 1,565.5 | 17.8 | 1,765.3 | 12.8 |
| Retail Sales (RMB bn) | 634.8 | 10.0 | 702.7 | 10.7 |
| Inflation (Consumer Price Index, %) | — | 1.5 | — | 1.6 |
| Exports (US\$ mn) | 28,026 | 15.2 | 22,957 | -17.8 |
| By FIEs (US\$ mn) | 4,429 | 1.3 | 4,294 | -3.1 |
| Imports (US\$ mn) | 23,236 | 43.2 | 24,871 | 7.4 |
| By FIEs (US\$ mn) | 5,914 | -5.1 | 5,439 | -8.0 |
| Utilised foreign Direct Investments (US\$ mn) | 1,722 | 72.0 | 889 | -48.4 |

Notes:

¹ In Renminbi real terms

² For all state-owned and other forms of enterprises with annual sales over RMB20 million.

Sources: Guangxi Statistical Yearbook 2016, Guangxi Statistical Bureau, China's Customs Statistics 12.2015, 12.2016

Data from China Data Research

Guangxi is an important province at the south west part of China. It is next to

Guangdong province and Vietnam. The Population of Guangxi is 47.96 million.

Guangxi has a lot of natural resources.

Composition of GDP (%)

| | 2000 | 2015 |
|-----------|------|------|
| Primary | 26.8 | 15.3 |
| Secondary | 35.2 | 45.9 |
| Industry | 29.4 | 37.8 |
| Tertiary | 38.0 | 38.8 |

Source: Guangxi Statistical Yearbook 2016

Primary section has been decreasing while secondary and industry sections have been increasing. Tertiary section remains the same level.

2017 1 quarter of Guangxi foreign trade import and export of the main features:

(A) general trade, processing trade, customs special supervision methods have increased substantially, the border small trade decline to expand. General trade import and export 26.88 billion yuan, an increase of 69.6%, accounting for 33.2% of the total foreign trade in Guangxi; processing trade import and export 17.55 billion yuan, an increase of 51.6%, an increase of more than January to February 14.9 percentage points; border small trade import and export 16.5%, down 21.3%, a decrease of 3.9 percentage points from January to February; border trade import and export 14.16 billion yuan, an increase of 9.9%; customs special supervision and import and export 6.15 billion yuan, an increase of 43.8%.

(B) private enterprises to maintain growth, state-owned enterprises, foreign-invested enterprises faster growth. Guangxi's private enterprises import and export 31.04 billion yuan, up 1.7%, accounting for 38.4% of the total foreign trade in Guangxi; foreign-invested enterprises, state-owned enterprises were import and export of 19.03 billion yuan and 16.62 billion yuan, respectively, a substantial

increase of 52.7% and 80.1%.

(C) of the ASEAN import and export decline narrowed, the United States, Australia and other markets a substantial increase. Guangxi's import and export to ASEAN was 40.44 billion yuan, down 1.2 percent, a decrease of 3.3 percentage points from January to February, accounting for 49.8 percent of Guangxi's total foreign trade in the same period. Which imports and exports to Vietnam 34.49 billion yuan, down 5.7%. For the United States, China Hong Kong, Australia, Canada, respectively, import and export of 7.47 billion yuan, 5.05 billion yuan, 3.65 billion yuan and 2.81 billion yuan, respectively, an increase of 86.9%, 57.7%, 1.1 times and 94.6%.

(D) mechanical and electrical products, agricultural exports growth, the traditional labor-intensive exports fell significantly. Guangxi's export of mechanical and electrical products was 14.21 billion yuan, up 18.3 percent; traditional labor-intensive products exported 7.88 billion yuan, down 29.6 percent, of which textile and garment exports were 6.03 billion yuan, down 34.6 percent; agricultural exports were 2.73 billion yuan, up 16.1 percent.

(5) Significant increase in imports of electromechanical products and major commodities. Import of agricultural products in Guangxi was 9.49 billion yuan, up by 91.7 percent; imports of electromechanical products reached 8.68 billion yuan, up 38.9 percent; copper ore, iron ore and crude oil were imported 3.79 billion yuan, 2.96 billion yuan and 2.64 billion yuan respectively, 1.9 times and 81%; coal and lignite imports 2.32 billion yuan, an increase of 1.9 times; manganese ore imports 1.14 billion yuan, an increase of 6.1 times. (The above goods do not contain the

border trade commodity trade)

(6) 12 cities to achieve growth in foreign trade. 14 cities in addition to Hechi, Hezhou, the 12 cities are growing import and export. Among them, the import and export value of the top three Chongzuo, Fangchenggang, Nanning, respectively, import and export 27.61 billion yuan, 15.64 billion yuan and 12.94 billion yuan, an increase of 2.9%, 14.4% and 94.7%. In addition, Baise and guests are doubled.

2.2 Trading figures of Thailand

According to Thai customs statistics, from January to March 2017, Thailand's imports and exports of goods amounted to \$ 109.53 billion, an increase of 9.4% over the same period last year. Among them, exports 56.43 billion US dollars, up 4.8%; imports 53.11 billion US dollars, an increase of 14.7%. Trade surplus of 3.32 billion US dollars, down 56%.

March month, Thailand's imports and exports of goods 40.21 billion US dollars, an increase of 13.2%. Among them, exports 20.77 billion US dollars, up 8.8%; imports 19.44 billion US dollars, an increase of 18.3%. Trade surplus of \$ 1.33 billion, down 50%.

From January to March, Thailand and China bilateral goods import and export volume of 17.77 billion US dollars, an increase of 14.6%. Among them, Thailand exports to China 7.16 billion US dollars, up 37.3%, accounting for 12.7% of Thailand's total exports; Thailand imports from China 10.21 billion US dollars, up 2.6%, accounting for 19.2% of Thailand's total imports. Thailand trade deficit of 3.05 billion US dollars, down 35.6%.

As of March, China is Thailand's largest export market and the largest source of imports for Thailand's largest trading partner.

According to Thailand's open trade policy, most of the products are free to import to Thailand. The import restrictions on some commodities are mainly to protect the infant industry. In recent years, with the economic development, Thailand has further reduced the number of restrictions on some commodities, but also gradually abolished some of the import licensing of goods such as motorcycles, high-speed diesel engines, engine gasoline and other fuels, diesel, oil, liquefied natural gas, Any form of vinyl monomer chlorine, and all goods sent to or from Yugoslavia. However, non-automatic import licenses continue to protect silk goods, buses, motor vehicles, construction stones and 23 agricultural and agricultural food industries. The main import controls implemented by the Government are as follows:

1. Tariff quota

Thailand is currently under the WTO agricultural agreement only 23 kinds of agricultural products tariff quota management, namely Guiyuan, coconut, milk and cream, potatoes, onions, garlic, coconut, coffee, tea, dried chili, corn, rice, soybeans, onions Seeds, soybean oil, soybean meal, sugar cane, coconut oil, palm oil, instant coffee, tobacco leaves, raw silk. In addition, for the animal feed with maize levy MFN quota additional import surcharge. But tariff quotas do not apply to imports from ASEAN member states.

2. Import prohibition and import license

The Import and Export Act (1979) provides a legal basis for prohibiting imports.

According to the Investment Promotion Act, if the Investment Committee (BOI) considers that other forms of protection are not sufficient to support an industry, it has the right to require the Ministry of Commerce to prohibit the import of goods produced by the industry. However, according to the relevant information of the Government, BOI has not yet exercised this power. In addition, different legislation also stipulates that some commodities may be banned from foreign imports for health and safety reasons. According to the Import and Export Act, the Ministry of Commerce, with the approval of the Cabinet, may be restricted by economic stability, public interest, public health, national security, peace, morality, or other national interests. The import may be "completely" or "conditional" to be prohibited. In the latter case, if the specially requested conditions are met, they can be imported.

Thailand's import and export law provides that the import license must be in the Ministry of Commerce after the consent of the Ministry of Foreign Trade goods to Hong Kong. The changes in the variety and application conditions of the import license control are notified through the government announcement and published in the quarterly bulletin of the Bank of Thailand. If there is any change in the relevant provisions of the import management, it shall be announced by government bulletin or newspaper and national radio.

Chapter 3 Methodology

3.1 Research Method

This independent study was about the trading relationship between Guangxi, China and Thailand. Guangxi is one of the provinces and autonomous regions cooperating with China to participate in the Greater Mekong Sub region. With this study, we can see the overall trading relationship between Guangxi and Thailand as well as a deeply look at some aspects. We are going to discover the advantage of the trading between Guangxi and Thailand. Besides, what's more important is the disadvantage of the trading between Guangxi and Thailand. In this way, we can give suggestions to current trading and to future trading.

This paper analyzes Case study and the regional economic development pattern by collecting a large amount of literature from Guangxi, China and Thailand. Research from the humanities geography, economic geography, statistics and other multi-disciplinary perspective analysis. The main methods used include:

(1) Geographic information system analysis method. Mainly for the study of regional economic patterns and changes in the characteristics of spatial analysis and changes in GDP.

(2) Multivariate statistical analysis method. The use of economic basis data, and the establishment of evaluation index system for the study of regional economic development of the overall strength of the economy regional development differences.

3.2 Study Location

The study area is Thailand and Guangxi, China, and ASEAN also. The world's least developed countries Laos, Cambodia, and Myanmar. The uneven economic development in the region is

outstanding. Singapore's high degree of industrialization, mainly rely on high-tech industries and services and other high value-added industries to promote economic development. While the backward countries are still in the initial stage of industrialization, still in agriculture and resource-based industries. Economic development potential. Indonesia, Vietnam, Thailand, Guangxi and so on are in the accelerated development stage of industrialization in Thailand and other domestic political situation tends to be stable, economic development strategy adjustment to effectively promote the domestic economic development. Since the establishment of the China-ASEAN Free Trade Area, the decline in trade tariffs and the establishment of cooperation mechanisms have effectively stimulated economic exchanges in the region and demonstrated strong economic development. Regional competitiveness is not strong. Guangxi and Thailand through the China - ASEAN Free Trade Area to form a community of interests. However, due to the huge differences in the development of the region, the economic and political system is complex, the interests of all parties to coordinate difficulties. While the historical problems and the territorial disputes in the South China Sea led to low political credibility, limiting the deepening of economic cooperation and the overall economic strength of the upgrade.

3.3 Study Sampling countries

Guangxi, China and Thailand.

An Analysis of the Industrial Development Pattern of Guangxi, China and Thailand. The level of economic development refers to the scale of a country's development, speed and level achieved. The evaluation of the level of economic development of a region or country can be measured by scale, speed and per capita. Industrial development is one of the core contents of economic development in a country or region. Industrial development is directly related to the quality of regional economic development, the level of productivity and the evolution of economy. With the

development of economic globalization, the international and domestic industrial division of labor has changed dramatically. Under this background, deepening the research on industrial development between Guangxi and Thailand can help Guangxi to seize the development opportunities, actively carry out industrial development adjustment and promote industrial upgrading and optimization. Therefore, based on the analysis of the development level of the three major industries, this chapter analyzes the industrial development comprehensively, with a view to comparing the industrial development level of the economies in different regions from different angles and levels. This paper chooses the three indicators of GDP, growth rate and per capita gross value of the main contents of economic development from 2004 to 2014 to evaluate the economic development level. The current situation and the changing characteristics of the economic development level of Guangxi and Thailand are analyzed. Due to the large number of data involved, this paper only selected 2004 and 2014 as the representative year for analysis.

3.4 Data Research

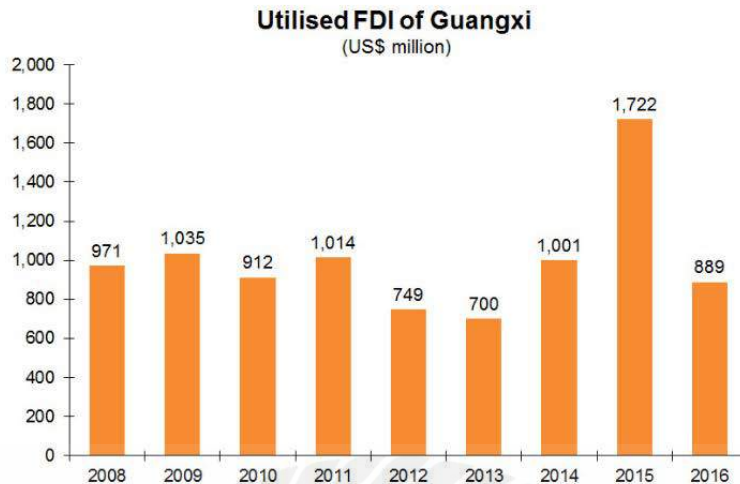
3.4.1 Guangxi, China economic situation data research

Economic Indicators of Major Cities (2015)

| Cities | GDP (RMB bn) | Per capita GDP (RMB) | Gross Industrial Output* (RMB bn) | Retail Sales (RMB bn) | Exports (US\$ mn) |
|------------|--------------|----------------------|-----------------------------------|-----------------------|-------------------|
| Nanning 南宁 | 341.0 | 49,066 | 323.7 | 178.7 | 3,261 |
| Liuzhou 柳州 | 229.9 | 58,869 | 446.3 | 94.4 | 779 |
| Guilin 桂林 | 194.3 | 39,327 | 237.5 | 75.2 | 810 |
| Yulin 玉林 | 144.6 | 25,440 | 158.8 | 60.0 | 329 |
| Wuzhou 梧州 | 107.9 | 36,106 | 213.0 | 36.5 | 461 |
| Qinzhou 钦州 | 94.4 | 29,560 | 135.8 | 33.4 | 2,476 |

* For all state-owned and other firms with annual sales over RMB20 million.

Economic indicators of major cities of Guangxi China



Foreign direct invest in Guangxi year 2008-2016

In order to promote the healthy, stable and rapid development of the foreign trade economy in Guangxi, Guangxi must actively seek the corresponding solution strategy in order to have a better strategy and all the way "strategy in our country and in the present problems and challenges.

(A) Actively expand foreign trade. January 2010, China-ASEAN Free Trade Area built prototype, which for the economic development of Guangxi is a good opportunity, Guangxi should make full use of the ASEAN ace, in particular, to operate a good China - ASEAN Investment Summit, China - ASEAN Expo and Pan-Beibu Gulf Cooperation Forum, which can be effective and international cooperation projects. Make good use of these platforms, to strengthen the publicity to Guangxi, the world better know Guangxi and Guangxi, Guangxi to win more opportunities for development. (B) the implementation of border trade transfer project. Charge the use of its own geographical advantages and the "The Belt and Road" strategy to bring the advantages of the platform, and actively experiment, first try, such as the speed of development good waySuch as coastal economic characteristics of the model. But also to build the border processing base, as well as the establishment of the surrounding cities and the product park and

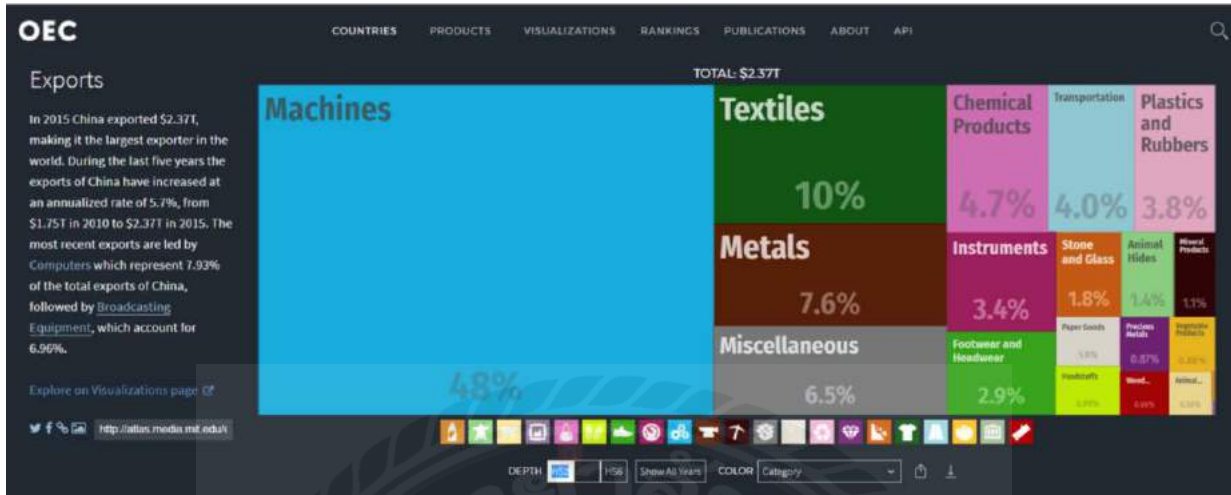
the acquisition of the market, to guide the border economy from the original channel economy to the current trend of the port economy changes for the border trade to bring positive and effective influences

| | | | | |
|---|--------|------|--------|-------|
| Exports (US\$ mn) | 28,026 | 15.2 | 22,957 | -17.8 |
| By FIEs (US\$ mn) | 4,429 | 1.3 | 4,294 | -3.1 |
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| Utilised foreign Direct Investments (US\$ mn) | 1,722 | 72.0 | 889 | -48.4 |

Export and Import data of Guangxi in the year 2015 and 2016

When we look at the table above we can see the export and import in Guangxi is increasing so fast. "Belt and Road" Policy not only for Guangxi's foreign trade and economic development has brought opportunities to challenge, but we actively put forward to solve the policy and seriously put into practice, you can change the challenge for the opportunity to make greater contributions to economic development.

3.4.2 China economic data research



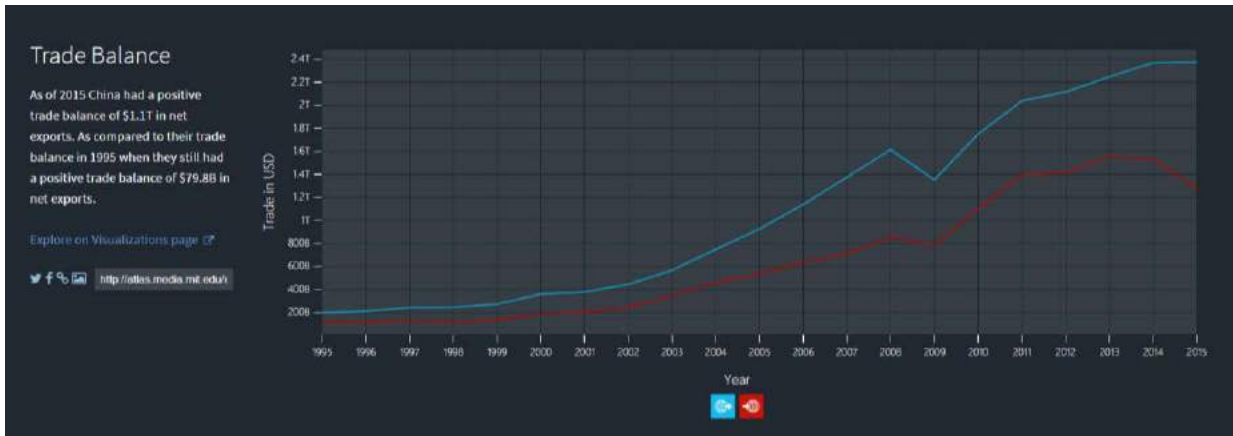
China exports goods detail in 2015

From the China export goods detail we can see that the biggest volume of export goods are machines, textiles, metal and miscellaneous. In Guangxi they also produce those four kind of product. According to the "economic complex index" (ECI), China is the world's largest export economy and number 38 most complex economic system. In 2015, China exported almost \$240 million. In 2015, China's GDP was 1.123 USD billion, with a per capita GDP of almost 150000 USD. For the total export, 48% are machines, 10 are textiles, 7.6% are metals and 6.5% are miscellaneous.



China imports goods detail in 2015

From the chart “China imports goods detail in 2015” we can see the main imports goods are machines, mineral products, chemical product, transportation and instruments. China was second large country to import. For the total import goods, 25% is machines, 20% is mineral product and 7.9% chemical product, 7.6 transportation and 6.4% instrument. Other import goods are metals, vegetable, precious metals, and plastics and rubbers.



China trade balance year 1995-2015

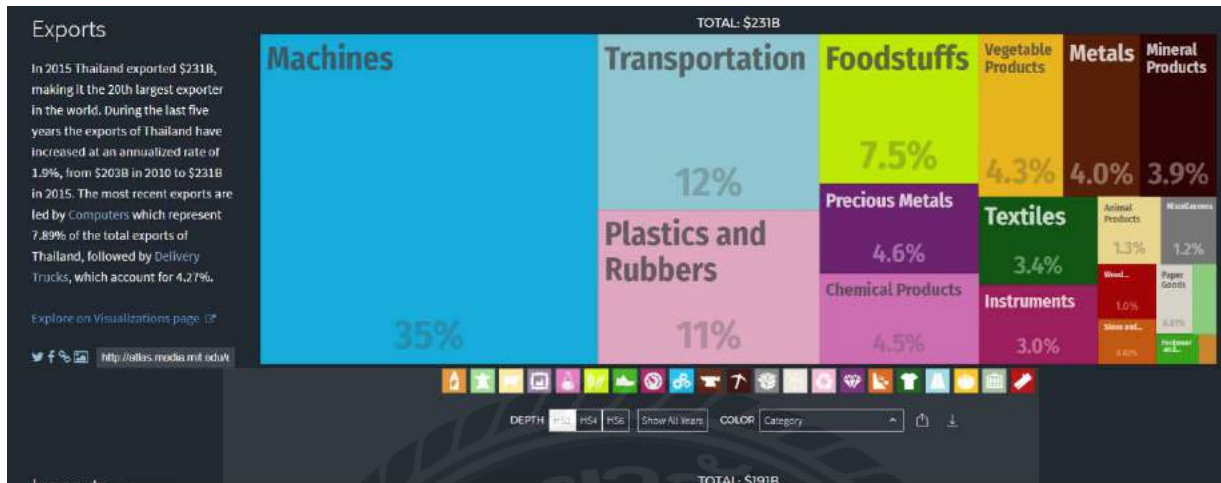
Till 2015, China's net export trade surplus was \$ 1.1 billion. Their net exports remained \$ 7.98 billion in trade surpluses compared to the 1995 trade balance.



Trade destinations of China in 2015

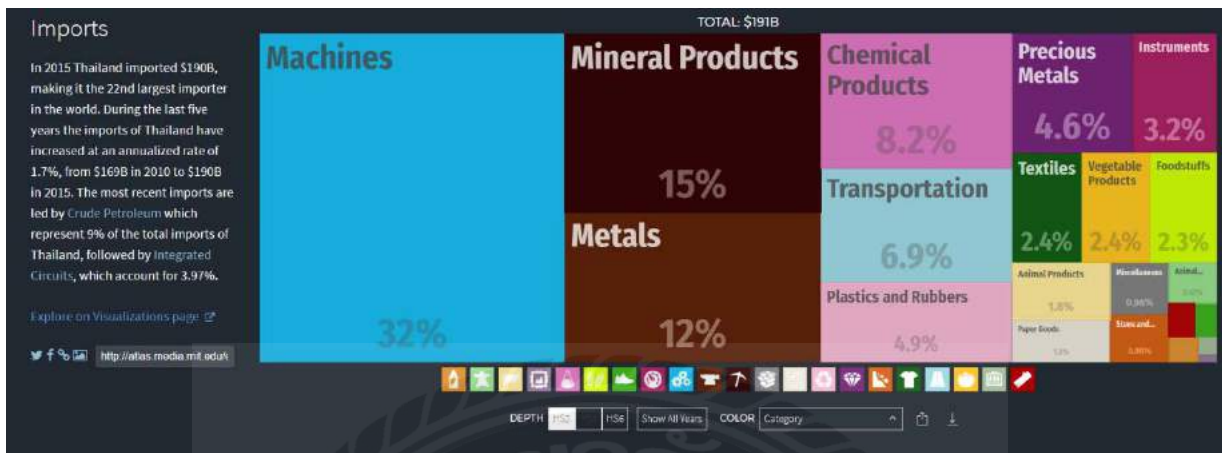
From this chart we can see Thailand is one of the largest countries to trade with China, and for Thailand, Guangxi is the most important trade partner. Other countries or regions are Hong Kong 12%, Japan 6.4%, South Korea 3.8%, US 19%, Germany 4.1%.

3.4.3 Thailand economic data research



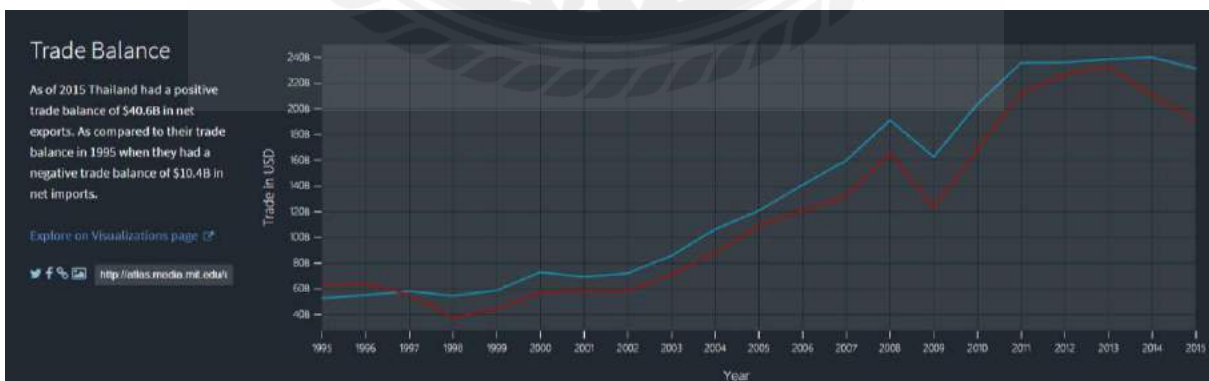
Thailand exports details in 2015

According to the Economic Complexity Index (ECI), Thailand is the 20th largest export economy in the world and the 32nd most complex economy. In 2015, Thailand exported 231 billion US dollars, imports 19 billion US dollars, and the trade surplus of 4.06 billion US dollars. Thailand's GDP in 2015 was \$ 395B and per capita GDP was \$ 16.3. In the chart we can see the machines and transportation and plastic and rubbers are the major product for export of Thailand. The machines is 35% of total export, transportation is 12%, plastics and rubbers is 11% of total export.



Thailand imports details in 2015

In the year 2015, Thailand total import form other countries more than 190 billion usd and this number makes Thailand the number 22 of the world largest importer. The main product of import are machines, mineral product metals and chemical product. Machines are 35% of total import, mineral products are 15% and metals are 12% of total import.



Thailand trade balance year: 1995-2015

As of 2015, Thailand's net export trade surplus was \$4.06 billion. The net import trade balance was \$1.04 billion compared with the 1995 trade gap.



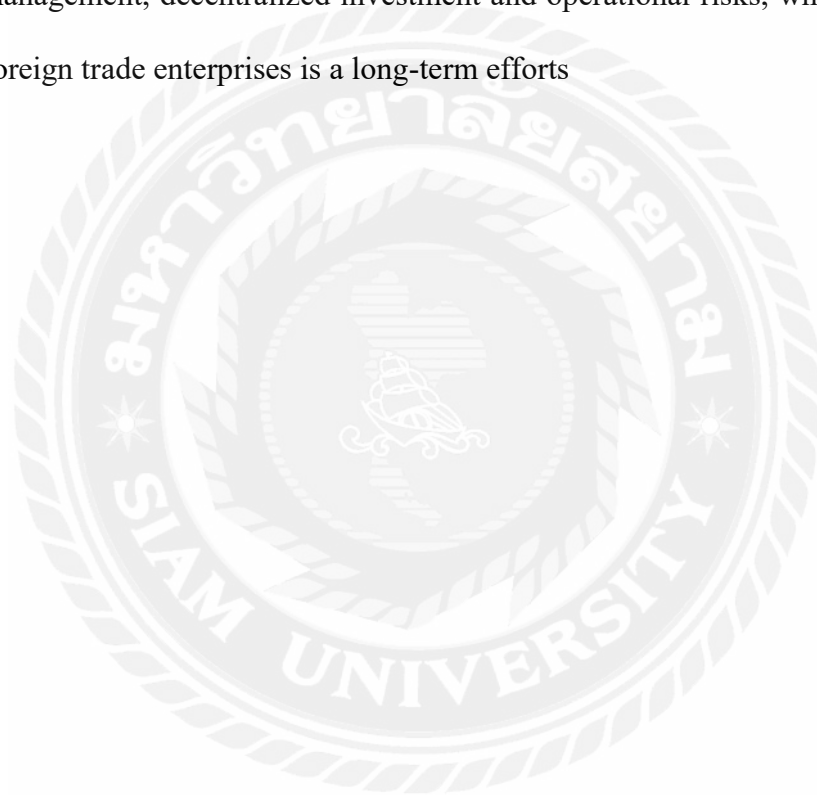
Thailand trade destinations in 2015

This chart is very important, as this study talk about the trade between Guangxi, China and Thailand, in this chart we can see China is the biggest trade destination for Thailand. 12% of total trade is trade with China. Japan about 9% and US about 12% same as China.

3.5 Data Research Description

From the import and export chart of China and Thailand we can see that the demand and supply of China and Thailand are complementary. In the national level, the “belt and road” makes the trade between Guangxi, China and Thailand much easier and frequently. The demand and supply makes the trade between Guangxi, China and Thailand possible and the “belt and road” makes it easier and frequently, is also attract a lot of new entries come to invest and trade between Guangxi to Thailand,.

In the future for a good value chain. First of all, according to their own strength, characteristics and areas, the implementation of differentiation, specialization strategy, a clear competitive advantage in the value chain, its focus on those who have the advantages of the link, do special fine, tight control The strategic link on the internal value chain of the enterprise Secondly, it is necessary to integrate the scattered resources in the industrial chain and expand to the integration direction. The role of foreign trade enterprises in the value chain , the appropriate diversification and industrial management, decentralized investment and operational risks, which for small and medium-sized foreign trade enterprises is a long-term efforts



Chapter 4. Analysis

4.1 Preliminary Analysis

Analysis of the current Guangxi province export and import situation

1. In the year 2014, import and export value of Guangxi has already exceeded 40 billion US dollars, according to relevant survey data show, Guangxi foreign trade import and export value of up to 405.5 billion US dollars, the growth rate of 23.5%, and over Autonomous region annual overall foreign trade growth target, which than in 2013 increased by 13 percentage points. While its exports reached 24.35 billion US dollars, which increased by about 30.2%; import and export volume of 16.22 billion US dollars, an increase of about 14.8%. These figures show that the total import and export volume and its processing trade and border trade development trend is good, and that is ASEAN trade and mechanical and electrical and high-tech products such as exports also continued to improve.

2. The total import and export volume of foreign trade has increased the total import and export volume of Guangxi is the third of the western 12 provinces of China. In 2014, the total import and export volume of Guangxi's foreign trade grew by 21.2%, while the export growth rate was higher than the domestic average of 26.3%, Guangxi's total import and export volume has risen to number 17 ranking of all the city of China.

3. Frontier Petty Trade level of Guangxi has risen to the first national border provinces, 2014, Guangxi development are carried out along the coastal areas, when the entire autonomous region border trade reached a new high, and the whole Year of Frontier Petty Trade import and export volume reached 15.1 billion US dollars, the value of the total import and export value of Guangxi accounted for 38.8%, obviously this has exceeded the

general level of trade. Customs are in a special way of supervision and trade, when the total import and export reached 2.52 billion US dollars, which increased by about 1.34 times, is the largest increase in a trade.

4. Guangxi's private enterprises in the first operating position is relatively stable, focusing on the enterprise category, the 2015 Guangxi private enterprises import and export volume reached 20.03 billion US dollars, an increase of about 34.2%, the value of 8.9 % higher than in 2014, Its contribution rate of up to 70.01%, Guangxi's private enterprises is the main driving force for the growth of foreign trade in Guangxi.

5. Since the “The Belt and Road” policy of China, in the year 2014, Guangxi with more than 160 countries and regions trade more intensive, and its more than the year 2013, then the trading partners is more diversified. ASEAN's total import and export reached 20 billion USD, an increase of 24.9%, and the growth trend has been going on for about 14 years, and better maintained the position of Guangxi's largest trading partner.

6. Guangxi's foreign trade innovation in the region's northern Bay and Xijiang economic development led to the development of foreign trade in Guangxi, so that its total foreign trade remained at a new high. Focus on the region, the dual-core drive can be described as the most important support for the growth of foreign trade in Guangxi, 2014, Guangxi's most critical economic driving force is the Beibu Gulf Economic Zone, Xijiang economic zone. Specifically, the Guangxi Beibu Gulf Economic Zone, the total foreign trade is very prominent, and 7 cities of foreign trade is growing, while the Xijiang economic zone import and export amounted to 26.824 billion US dollars, and Chongzuo and Qinzhou import and export growth rate has been more than 9.78%.

In 2008, the number of imported and exported goods in Guangxi increased, and the export of electromechanical products was about US \$ 11.28 billion, up by about 42.3% in the same year, accounting for 46.2% of Guangxi's total exports. The export of high-tech products was 2.9 USD, which accounts for 12.1% of the total amount.

7. Foreign trade transfer mode and the lack of structural adjustment Guangxi import and export scale is small, and its development also has greater potential. Trade and trade contribution to the growth of foreign trade, while the transformation and upgrading of processing trade should continue to strengthen the export product level is low, two high and one exports of goods a great rebound, but ASEAN trade concentration is too high, then increased trade friction Risk, and the scale of private enterprises continued to become smaller, which also shows that international competitiveness should be further enhanced

4.2 Describe the Trading relationship between Guangxi, China and Thailand

4.2.1 The influence of “The Belt and Road” (B and R) to trading relationship between Guangxi, China and Thailand

Over the past two years, China and Thailand have also made significant progress in economic cooperation. In 2016, bilateral trade reached us \$71.1 billion. China is now Thailand's largest trading partner, export market and source of the largest tourist destination.

The "The Belt and Road" strategy is an important strategy for opening up our country in the new period of our country, and has attracted the attention of the whole society since its inception. "The Belt and Road" is short for "The silk Road economic Belt" and "The 21st century maritime silk Road". It will fully rely on China and relevant countries existing multilateral mechanisms, with the help of the existing and effective regional cooperation platform, One Belt And One Road

aims to use the history of the ancient silk road signs, exalted banner of peaceful development, actively develop along with the country's economic partnership, to create mutual political trust, economic integration, culture include the interests of the community, fate community and community responsibility The development plans of the southwest and Chinese ports have become hot spots.

"China and Thailand" is the most accurate positioning of the relationship between China and Thailand. This is unique in China's relationship with all countries in Southeast Asia. This special relationship is first reflected in bilateral political relations. In October 2013, premier Li visited Thailand and the two countries issued a vision for the development of china-Thailand relations. Mr. Li said, "China and Thailand are good neighbors, good relatives and partners. The two countries have always respected each other trust, one of the leading enterprises in the relations between China and Asean countries china-Thailand relations, played a demonstration and leading role. "This is a highly appraised view of the special relationship between China and Thailand.



“The Belt and Road” for Southeast Asia

As the gateway of the "silk road economic belt", the port has become a research focus of strategic planning. Revolve around how to give full play to the port hub advantage, many scholars choose Lianyungang, Ningbo port, and other important port as the research target, from the geographical advantage, industry characteristics, cultural cooperation and other different angles were analyzed, and puts forward corresponding countermeasures and Suggestions. With its unique geographical location, it has become a hot spot in the "One Belt And One Road" strategic planning research.

Some scholars using the data from the international regional economic cooperation analysis "area" strategy of southwest economic development opportunities and challenges, argument's strategic position in southwest China, put forward the countermeasures to strengthen the infrastructure construction in southwest China.

Is located in southwest of Guangxi and Thailand, and has the only port in southwest China - the Beibu gulf, is the study of Guangxi regional logistics development has a certain strategic significance.

The logistic demand forecast in Guangxi is the basis and the decision-making premise of Guangxi logistics planning. From the gray theory to the combined model, to the support vector machine. Many scholars' research focuses on the accuracy of logistics demand forecasting from the improvement of models.

"B and R" is written into 18 after the third plenary session of the resolution, the silk road fund was set up in YingZhou, Britain and France, Italy and South Korea also gradually into the investment Banks, the practice of the policy better improve the problem of our country's current exports, and also promoted the further deepening of the reform of our country's economy and society, but also promoted the country's economic transformation.

"B and R " belongs to an idea, its emphasis is to Asia through trade channels, in order to realize the rapid development of Asian free trade area, but also an important platform of social economic opening to the outside world in our country in the future.

Such a concept is mainly in order to build smooth trade channel, the implementation of the early goal is to help developing countries build traffic facilities, but it needs very powerful capital support.

This paper analyzes the "area" under the background of Guangxi and Asean trade contribution to GDP has carried on the empirical analysis, provide a reliable theoretical basis for China's economic and social development.

"Neighborhood" all the way to construct in our country is mainly in order to get through the trade channel, to strengthen exports to handling capacity, makes the internationalization of the renminbi, and to enhance China's influence on Asia, thus improving relations with neighboring countries.

Analysis under the background of "area", therefore, an empirical analysis of the Guangxi and Asean trade contribution to GDP, the sustainable development of the society of our country is a big boost.

4.2.2 Describe the Guangxi, China and Thailand import and export trading

Specific recommendations on the ASEAN trade in Guangxi In particular, the development of Guangxi ASEAN import and export should pay attention to the following aspects: to better play the advantages of Guangxi's industrial advantages, to strengthen its key industries import and export volume, such as heavy machinery, with reasonable goals Guangxi's exports to the ASEAN countries, Guangxi can use trade complementarity to develop key industries, in recent years, Guangxi's exports of electrical and mechanical products to 7.74 billion US dollars, which increased by about 26.9% over the same period the total export volume of Guangxi increased by about 11.6%, Guangxi Electrical and Mechanical Services Products and the corresponding export of high-tech products can be described as the key point of sustainable development of ASEAN trade in Guangxi; Moreover, the full application of Qinzhou and Fang Chenggang and other regions of the geographical advantages, to strengthen the construction of the Beibu Gulf Free Trade Area, the

full realization of " The common development of the free trade area makes the policies overlap accordingly, and here we should emphasize the leap-forward development of trade between Guangxi and ASEAN. We should pay attention to the construction of China-ASEAN Free Trade Area after 2010, and strengthen the trade of the traditional trade of Thailand in ASEAN, Such as textile and garment industry and other aspects of trade. Traditional industry trade emphasizes a very mature market economy, which is the main promotion to promote trade growth, and Guangxi exports of textile products totaled up to 826 million US dollars, which has increased by about 34.9%, and the value accounted for the same period Guangxi Total exports of 8.01%. It can be said that stable trade growth shows that its economic growth is very stable, Guangxi has a large number of skilled labor force, and the growth and labor costs make the gradual expansion of the eastern-intensive industries, when the textile and garment industry scale is expanded, and able to Forecast the development trend of traditional industry trade.

4.2.3 Describe the GDP of Guangxi, China influence by import and export to Thailand and other Asean countries.

| 年份 | GDP总量 (百万元) | | | | | | | | | 人均GDP | | | | | | |
|------|-------------|--------------|---------|--------------|---------|---------------|-------|-------|----|--------|--------------|-------|-------|-------|---------|----|
| | GDP (本币) | 名义增长率 (基于本币) | 美元 | 名义增长率 (基于美元) | 购买力平价 | 名义增长率 (购买力平价) | 实际增长率 | 占全国比重 | 位次 | 本币 | 名义增长率 (基于本币) | 美元 | 购买力平价 | 实际增长率 | 占全国人均比重 | 位次 |
| 2012 | 1,303,104 | 11.2 | 206,432 | 13.8 | 311,286 | 11.1 | 11.3 | 2.51 | 18 | 27,943 | 10.3 | 4,427 | 6,675 | | 73 | 27 |
| 2011 | 1,172,087 | 22.5 | 181,471 | 28.4 | 280,095 | 16.0 | 12.3 | 2.48 | 18 | 25,326 | 25.3 | 3,921 | 6,052 | 12.0 | 72 | 27 |
| 2010 | 956,985 | 23.3 | 141,367 | 24.5 | 241,407 | 17.2 | 14.2 | 2.38 | 18 | 20,219 | 26.0 | 2,987 | 5,100 | 13.9 | 67 | 27 |
| 2009 | 775,916 | 10.5 | 113,587 | 12.4 | 205,972 | 12.2 | 13.9 | 2.28 | 18 | 16,045 | 9.5 | 2,349 | 4,259 | 12.9 | 63 | 27 |
| 2008 | 702,100 | 20.6 | 101,093 | 32.0 | 183,647 | 14.4 | 12.8 | 2.24 | 19 | 14,652 | 19.3 | 2,110 | 3,832 | 11.7 | 62 | 26 |
| 2007 | 582,341 | 22.7 | 76,584 | 28.6 | 160,584 | 17.3 | 15.1 | 2.19 | 18 | 12,277 | 21.3 | 1,615 | 3,385 | 13.8 | 61 | 26 |
| 2006 | 474,616 | 19.1 | 59,537 | 22.4 | 136,903 | 18.5 | 13.6 | 2.19 | 19 | 10,121 | 17.8 | 1,270 | 2,919 | 12.3 | 61 | 27 |
| 2005 | 398,410 | 16.0 | 48,636 | 17.2 | 115,562 | 14.5 | 13.2 | 2.15 | 18 | 8,590 | 15.1 | 1,049 | 2,492 | 12.3 | 61 | 28 |
| 2004 | 343,350 | 21.7 | 41,483 | 21.7 | 100,890 | 16.8 | 11.8 | 2.15 | 18 | 7,461 | 20.9 | 901 | 2,192 | 11.1 | 60 | 28 |
| 2003 | 282,111 | 11.8 | 34,084 | 11.8 | 86,360 | 11.3 | 10.2 | 2.08 | 17 | 6,169 | 11.0 | 745 | 1,888 | 9.4 | 59 | 28 |
| 2002 | 252,373 | 10.7 | 30,491 | 10.7 | 77,625 | 11.8 | 10.6 | 2.10 | 16 | 5,558 | 9.9 | 671 | 1,710 | 9.8 | 59 | 28 |
| 2001 | 227,934 | 9.6 | 27,538 | 9.6 | 69,403 | 9.8 | 8.3 | 2.08 | 16 | 5,058 | 8.7 | 611 | 1,540 | 7.4 | 59 | 28 |
| 2000 | 208,004 | 5.5 | 25,126 | 5.5 | 63,208 | 5.6 | 7.9 | 2.10 | 16 | 4,652 | 4.7 | 562 | 1,414 | 7.0 | 59 | 28 |
| 1999 | 197,141 | 3.1 | 23,814 | 3.2 | 59,829 | 6.0 | 8.0 | 2.20 | 16 | 4,444 | 2.3 | 537 | 1,349 | 7.1 | 62 | 26 |
| 1998 | 191,130 | 5.2 | 23,086 | 5.3 | 56,435 | 7.3 | 10.0 | 2.26 | 16 | 4,346 | 10.6 | 525 | 1,283 | 9.0 | 64 | 24 |
| 1997 | 181,725 | 7.0 | 21,922 | 7.3 | 52,589 | 7.3 | 8.0 | 2.30 | 16 | 3,928 | 6.0 | 474 | 1,137 | 7.0 | 61 | 26 |

Guangxi, China GDP 1997-2012

Based on the data of six countries with a large proportion of trade volume between Guangxi and Thailand in 2004 and 2012, this paper analyzes the trade effect of Guangxi urbanization on the export of Guangxi to Thailand and the import from Thailand. The empirical results show that the promotion of urbanization in Guangxi has a positive effect on the export of Guangxi to Thailand, and it has an inhibitory effect on the import of Guangxi. The reason is that the process of urbanization has caused changes in the industrial structure and thus changed the demand and supply of import and export commodities. In addition, the GDP of Guangxi and ASEAN has a significant positive effect on bilateral trade, and trade distance has a significant negative effect on bilateral trade. Finally, according to the empirical results, the relevant policy suggestions are given to the development of Guangxi.

In recent years, under the background of China-ASEAN Free Trade Area, the economic and social development of the Guangxi Zhuang Autonomous Region has been rapid and the

urbanization process has been accelerating. The urbanization rate has increased from 27.38% in 2002 to 46.66 in 2014 %, an average annual growth of 1.897%. The growth rate is higher than the national average, has become an important engine of economic development in Guangxi. Guangxi is located in the south of China's border, southwest and Vietnam adjacent to ASEAN trade exchanges, bilateral trade grew rapidly, 2013 Guangxi and ASEAN bilateral trade volume reached 16.152 billion US dollars, up 31.56% over the previous year, accounting for Guangxi's total trade volume of 46.67%, accounting for 73.25% of Guangxi's trade in Asia. The total import and export volume and exports ranked 8th and 6th respectively in all provinces of China. In 2004, Thailand has been the largest trading partner of Guangxi, and bilateral trade volume has been on the rise. Guangxi's imports from ASEAN grew steadily and imports increased; exports grew rapidly, especially after 2010, respectively, in 2011, 2012, 2013, an increase of 41.12%, 35.78%, and 36.68 %. In addition, Guangxi and Thailand, Indonesia, Vietnam, Malaysia, the Philippines, Singapore, the six countries trade volume of Guangxi and ASEAN total trade volume of more than 99%, therefore, can well reflect the trade between Guangxi and ASEAN many scholars on Guangxi And ASEAN trade issues were studied. In the context of China-ASEAN Free Trade Area, Guangxi should optimize the upgrading of industrial structure and give priority to the development of tertiary industry. This paper analyzes the trade effect of China-ASEAN Free Trade Area on Guangxi, and obtains that the effect of trade creation is greater than that of trade transfer. There is still room and potential for Guangxi to participate in the construction of free trade area. In conclusion.

In recent years, the rapid development of Guangxi's economy, especially the establishment of the ASEAN Free Trade Area and the development of the North Bay Economic Zone, making Guangxi's rapid economic development, import and export trade significantly increased. Since the

development of China's Beibu Gulf Development Plan in 2008, the average growth rate of economic growth in Guangxi has been as high as 15.6%, which has promoted the dependence of foreign trade on the higher level. The import and export volume has increased the proportion of economic growth. In 2014, Guangxi import and export 2511million yuan, compared with 2010 import and export of 26.8 billion yuan, doubled. The rapid development of import and export trade, in turn, to promote the Guangxi economy continued to maintain a high growth rate, and actively promote the income level in Guangxi, promote technological progress and industrial upgrading, promote economic development. However, according to statistics, the past five years, although the total foreign trade in Guangxi is growing, but still slightly lower than the national average, indicating that Guangxi's dependence on foreign trade is still low. Import and export of Guangxi's economic development has a profound impact.

Since the beginning of the 21st century, with China's accession to the WTO and China-ASEAN Free Trade Area started, Guangxi agricultural products import and export pattern has undergone many changes. China - ASEAN Free Trade Area built for the development of import and export trade in Guangxi has brought unprecedented opportunities for development, the development of import and export trade in Guangxi had a great impact. Through the discussion on the current situation and the challenges of Guangxi's import and export trade under the framework of China-ASEAN Free Trade Area, it is proposed to enhance the competitiveness of Guangxi and ASEAN countries' isomorphic industry production enterprises and products, and to improve the import and export trade enterprises of Guangxi The production and management level, make full use of Guangxi's unique border with ASEAN bonded area and geographical advantages, vigorously develop the bonded area industry and logistics industry, build a new type of import and export trade enterprises in Guangxi, and domestic and ASEAN countries with strong financial

strength , Communications, tourism and professional services industry to achieve win-win and other recommendations.

It is of great significance to summarize the import and export situation of agricultural products in Guangxi in the past decade, analyze its restrictive factors and clarify the strategic thinking of developing Guangxi agricultural products import and export in the international competitive environment.

China-ASEAN Free Trade Area After the completion of China's import and export trade analysis of China-ASEAN Free Trade Area built, making China and ASEAN trade accounted for 13% of global trade. China - ASEAN Free Trade Area is a huge economy covering 11 countries, 1.9 billion people and GDP totaling US \$ 6 trillion. It is the largest free trade area in the world and the largest in developing countries. Free trade area. After the completion of the free trade area, Guangxi's import and export trade has been rapid development.

In 2010, Guangxi's total trade import and export volume exceeded 10 billion US dollars for the first time, up to 11 billion US dollars, accounting for 63.4% of the total import and export volume in Guangxi, 15.5% higher than the pre-construction area in 2009, and the total import and export volume of processing trade was 18.63 The total import and export volume of border trade is 5 billion US dollars, accounting for 40% of the total import and export volume in Guangxi, an increase of 38.3%, which is 13.8% higher than the total import and export volume in Guangxi. The total import and export volume of Guangxi's imports and exports is 17.52% The total import and export volume of small-scale trade in the border of the private sector was US \$ 5 billion, accounting for 99.65% of the total import and export volume of border trade, accounting for 37.65% of Guangxi's total import and export volume.



Guangxi, China and Thailand logistic roots

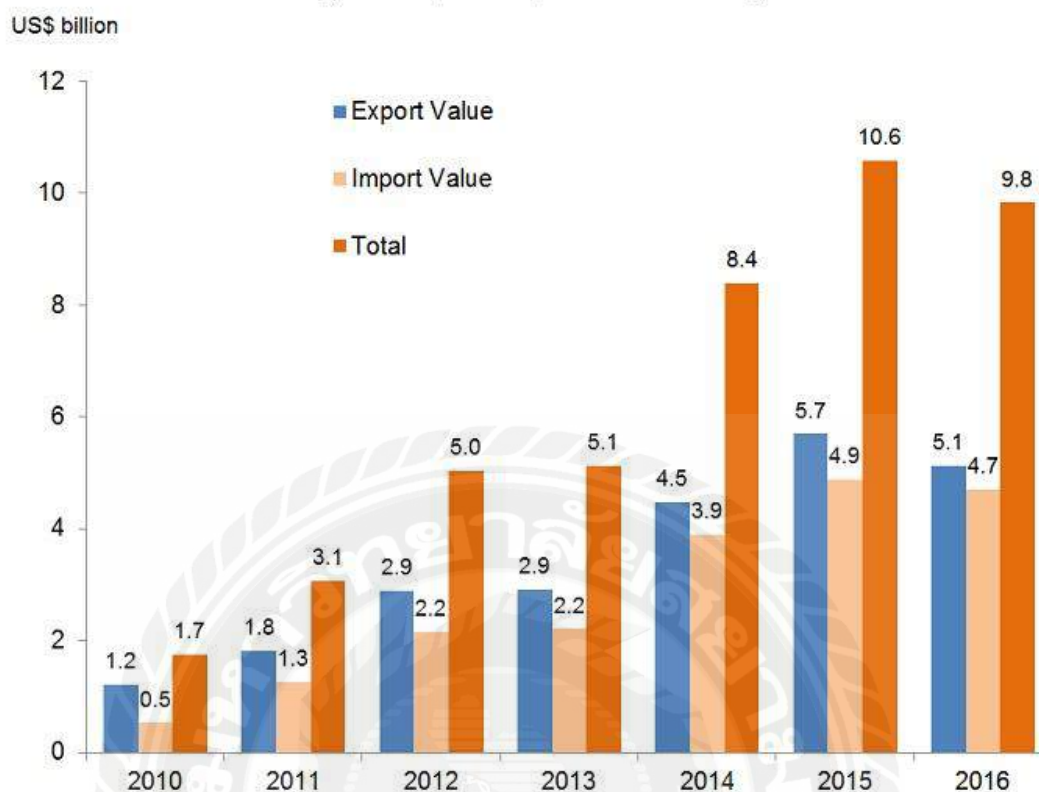
And bilateral trade growth with Thailand Since the establishment of the China-ASEAN Free Trade Area, bilateral trade between Guangxi and Thailand has shown a relatively rapid growth momentum. The total bilateral trade volume between Guangxi and ASEAN countries in 2010 was US \$ 7 billion, an increase of 36% over the pre-construction area in 2009, an increase of 8.1%, accounting for 31.2% of the total import and export volume in Guangxi, an increase of 3.6%. The total export volume was US \$ 4.222 billion, accounting for 76.3% of the total bilateral trade volume of Guangxi and ASEAN countries, up by 28.9%; the total import value was US \$ 1,856 million, accounting for 30% of the total bilateral trade volume between Guangxi and ASEAN countries, up 46.3%; trade surplus between Guangxi and ASEAN To \$ 2.555billion, which is already the 10th consecutive year ASEAN has become Guangxi's largest trading partner and the largest export market. In the trade with ASEAN countries, Guangxi and Vietnam trade the most active. In 2010, the total import and export volume of Guangxi and Vietnam was US \$ 6.123 billion, accounting for 79% of the total import and export volume of Guangxi and ASEAN, up by 5.3%, of which US \$ 4123 billion, up 55% and USD 1.02billion, up 19.3%. At the same time, with Indonesia, Lao, the Philippines, Thailand and other ASEAN countries trade growth rate of 55% or more. The United States is still the second largest trading partner in Guangxi, bilateral trade

volume of 1.632 billion US dollars, an increase of 20%. Which exports 832 million US dollars, down 1%; imports 752 million US dollars, an increase of 58%. While Australia to replace the EU to become Guangxi's third largest trading partner, the annual bilateral trade amounted to 1.5 billion US dollars, an increase of 36%. Of which exports 210 million US dollars, an increase of 58.6%; imports 1.12 billion US dollars, up 28.69%.

4.2.4 Describe the import and export tariff and tax influence the Guangxi, China and Thailand trading

Tariff Reduction Pressure on Import and Export Trade in Guangxi With the reduction of tariffs on most of the products trade with Thailand, Guangxi's trade as a bridgehead with trade with Thailand has been affected by varying degrees of import and export trade The competitiveness of Guangxi's animal products, plant products, animal and vegetable oils, mineral products and their products, rubber and its products, wood and its products are obviously weaker than Thailand. The product. In this way, these products on China's exports will further increase, is bound to Guangxi's related industries caused a great impact.

Guangxi's Import-Export Processing Trade



Source: Guangxi Statistics Yearbook 2016, Guangxi Bureau of Statistics

The common goods industry in the ASEAN region has had a significant impact on some industries in Guangxi after the protection period. The economic development level of Guangxi and Thailand is close to each other. There are many similarities in the way and structure of economic growth. As in many ASEAN countries, most parts of Guangxi are working to expand the market share of all types of products in the ASEAN region specially Thailand, with a view to expanding their market size and improving their own products and related industries, leading to an increasingly fierce competition in Thailand, Especially after the protection period built in the free trade area. In terms of Guangxi itself, there are two main aspects of competition. First of all, Guangxi and ASEAN region is relatively close to the commodity structure of import and export commodities, China's imports and exports to Thailand products are mainly complementary, such

as China to Thailand imports of their rich rubber products and petrochemical products, and exports of China itself Industry-quality home appliances, but in the lower value-added goods, such as textiles and mechanical and electrical products, are China and Thailand have a certain competitive products. Secondly, in attracting international investment competition, Guangxi is mainly attracted to the Asia-Pacific region, precisely to focus on ASEAN in Thailand and other countries.

Guangxi's unique advantages of import and export trade location Challenges With the free trade area built for other domestic provinces and cities to enter the ASEAN market to provide a more convenient and efficient access, which will make Guangxi's unique geographical advantages and geographical advantages are challenged. In the ASEAN countries, and Guangxi, Thailand and other countries bordering China has a clear geographical advantage. In order to seize the opportunity to become China's ASEAN Free Trade Area unified market "center", the Vietnamese government quickly established with Guangxi Pingxiang border borders of the highway, and in Pingxiang and Pudong Village and Dongxing border to establish a new, Mong Street and other special zones, the implementation of the equivalent of free trade zone investment and tax incentives. With this development, with the reform in various fields such as trade, finance, investment to Thailand will be supported by more ASEAN countries in its competition with Guangxi.

The import and export trade in services has been affected because of the lack of certain advantages in terms of finance, communication, tourism and professional services, while some ASEAN countries, such as Thailand, have relatively strong comparative advantages in these areas, Therefore, the establishment of the free trade area, the restrictions on this part of the service industry is gradually liberalized, the ASEAN countries to enter China with the domestic competition

in these related industries, will be the development of its own service industry in Guangxi have a certain impact.

4.3 Interpretation of the analysis

With the growing economy in China, the market demand has also appeared in the recession, the domestic economic growth is very slow, which led to China's import and export trade is very grim, and trade growth rate continued to fall, and Guangxi's foreign trade It is contrarian up, the scale of foreign trade is also gradually expanding, then the quality of foreign trade development and its economic efficiency is also rising. The implementation of the policy to better improve China's current export problems, but also to promote China's economic and social reform to further deepen, but also to promote the national economic restructuring. "The Belt and Road" is mainly to build a smooth trade path, the early implementation of the purpose is to help developing countries to build transport facilities, but it requires a very strong financial support. Guangxi is very important to the strategic development of our country, which also shows that the analysis of the "one side of the road" under the background of Guangxi ASEAN trade contribution to GDP empirical analysis of China's social sustainable development has a great role in promoting. This paper analyzes the development of foreign trade in Guangxi and puts forward some suggestions on the ASEAN trade in Guangxi, and provides a reliable theoretical basis for China's economic and social construction.

Chapter 5

Conclusion and recommendation

In the context of the completion of the China-ASEAN Free Trade Area, we should examine the situation, analyze the reality of the objective, actively respond to the difficulties and make corresponding countermeasures to achieve the goal of eliminating the obstacles and promoting the development of GuiTai's trade.

Facing the global economy Slow down and actively develop response measures are big issues. Both country should combined with economic data, objective analysis and prediction of possible problems to respond to the plan. First of all, the government should take overall action, formulate corresponding policies, respond to the pressure of China's economic downturn, encourage and support the development of trade between Guangxi and Thailand. It is suggested that the government should step up the reform of the system of public service in order to meet the international import and export standards and formulate an international trade strategy. Second, importers and exporters must be cautious, if the global economic recession, Guangxi and Thailand's trade is bound to be affected by the environment. It is recommended that importers and exporters should be prepared to deal with, especially the exchange rate, commodity market, fuel prices, gold prices and other trends continue to fluctuate, to avoid risks, timely adjustment of import and export strategies to reduce production and inventory reduction due to fluctuations in market volatility.

Optimize the product structure, improve product added value, expand the scale of trade. Guangxi must combine its own actual situation, optimize the product

structure, and strive to develop independent core technology to improve the technological content of products and added value, so as to make Guangxi exports to Thailand's products have a competitive advantage. At the same time, strengthen cooperation with Thailand in the research and development of high-tech products, and gradually improve the trade of Guangxi and Thailand, the technological content of products, improve product level. So as to break the current Guangxi and Thailand trade product structure of a single, low-grade product status. Continuous optimization of products and the development of new products, improve product quality, but also to change the original trade structure, an effective way to expand the scale of trade.

While enjoying the preferential policies for the FTA, Thai companies are also facing a favorable policy of China's expansion of imports.

China is one of the fastest growing and most stable economies in the world. With China's expansion of domestic demand and consumption upgrades, as well as China-ASEAN Free Trade Area to bring trade facilitation, Thailand's agricultural products enterprises have achieved tangible trade gains. Especially in 2011, in order to encourage imports, the Chinese government is to further improve the level of trade facilitation, clean up non-tariff measures, change and improve the policy measures and customs clearance, continue to simplify and relax some of the import management measures to reduce import links and procedures, Reduce import costs and costs. It is foreseeable that the future of China's import trade environment will be further improved, and there will be a number of import promotion as the goal of public service platform, which is the Thai agricultural enterprises is undoubtedly a

good.

China's agricultural products circulation efficiency continues to increase, is conducive to the expansion of exports of agricultural products in Thailand.

At present, the Chinese Ministry of Commerce uses the "double hundred market projects", "agricultural super docking" and other policies to promote the transformation of domestic agricultural products wholesale market and the efficiency of agricultural products circulation. A number of export-oriented agricultural products wholesale market and trading center in the future may also be policy support for hardware and software upgrades. With the reduction of circulation cost of agricultural products in China, the improvement of logistics cold chain and the improvement of circulation efficiency, Thai agricultural products can enter the mainstream channels more effectively and reduce the promotion cost of the market.

The development of organic agriculture and tourism industry will promote the development of Sino-Thai agricultural trade.

At present, with the "oil agriculture" and the scale of agricultural malpractice exposure, as well as consumer attention to food safety, China and Thailand have set off a wave of organic agriculture development. In 2008, Thailand received organic agricultural products certified land area of about 15,300 hectares, accounting for the country can cultivate land area of 0.07%. China has now received organic certification of organic products planted area has reached about 1 million hectares, organic products export value of more than 400 million US dollars, the total domestic sales of more than 4 billion yuan. If the two sides to achieve mutual recognition of organic

mutual recognition, for the promotion of bilateral trade in organic agricultural products will have a positive effect.

In addition, Thailand is very rich in tourism resources, still like a magnet to attract Chinese tourists. Chinese travelers are impressed with Thai food and beauty. Such as strengthening this marketing campaign, to stimulate the import demand for agricultural products in Thailand is very useful.

China and Thailand in the agricultural trade structure has a greater complementarity.

China's temperate fruit, peanuts, edible mushrooms, chestnut and other products to fill the Thai market gaps. While Thailand has strong international competitiveness in tropical fruits, cassava stem, natural rubber, rice and so on. In 2010, the share of Thai natural rubber, fruit, rice and cassava stem in China's agricultural products import market was 46.9%, 27.3%, 90.4% and 80.7% respectively, and were ranked first in the country of importation of the products. This shows that these high-quality Thai agricultural products in China's agricultural products import market has been in the leading position.

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