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## CHINA PLANS FREE TRADE ZONE IN THE GOLDEN TRIANGLE

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China is looking to establish a free trade zone at the section of the Mekong where the river forms the border between Myanmar and Laos in the Golden Triangle, stretching from Chinas southern Yunnan province across Laos to Thailand, Nikkei Asian Revue reported.

In the planned zone, Beijing wants to waive tariffs and value-added tax on imports particularly from Thailand which does not share a border with China.

The move comes as China is looking to strengthen commercial ties with countries in the Mekong region of Southeast Asia in the wake of an intensifying trade war with the US. China has poured \$1.7 million this year into the Lancang-Mekong Cooperation □ an initiative proposed by Thailand to develop the region (Lancang is the Chinese name of the river and used for its upper half). The cooperation came up with the idea of extending the China-Laos border free-trade zone to the Thai-Laos border.

In a next step, a framework for the trade zone should be drafted with a time frame of setting it up in the next few years.

There are also plans to lead the planned high-speed railway line from Yunnans capital Kunming to Bangkok through the free trade zone.

Beijing also intends to use the project to capitalise on growing demand for cross-border e-commerce. The Chinese government has built up such facilities and logistics infrastructure in the southern border town of Mohan and other locations.

For Thailand, the free trade zone would be an opportunity to get access to Chinas new Belt and Road trading networks across Central Asia to Europe.

<http://investvine.com/china-plans-free-trade-zone-in-the-golden-triangle/>

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