MULTILATERAL TRADE NEGOTIATIONS THE URUGUAY ROUND

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COMMUNICATION FROM THAILAND

Conditional Offer by Thailand concerning Initial Commitments on Trade in Services

Revision

The following communication is circulated at the request of Thailand to the members of the Group of Negotiations on Services.

General Remarks

1. Thailand has continuously participated in the negotiations on trade in services and wishes to reaffirm her support for a successful conclusion to the Uruguay Round of negotiations. The importance of a comprehensive settlement should remain a priority for all participating countries to strive for, and which can only be achieved through initial trade liberalization in the services area. For developing countries, however, the extent of such liberalization must be commensurate with the ability and the readiness of the service sectors of those countries to undertake the commitments at the present stage.

2. In an effort to achieve a successful outcome to the Round and to preserve the genuine spirit of the negotiations, Thailand hereby submits a revised version of initial commitments on trade in services. Thailand's offer is presented as a basis for further negotiations to be conducted in accordance with the Punta del Este Declaration and the agreement reached during the Mid-Term Review.

3. This offer is conditional upon the satisfactory outcome of the Framework Agreement and associated sectoral annexes, the exchange of commitments among parties to the Agreement, and other areas of interest to Thailand within the Uruguay Round negotiations. Furthermore, Thailand reserves the right to withdraw or adjust this offer, in whole or in part, at any time during the Round.

Limitations, Conditions and Qualifications Applicable to All Service Sectors

4. This revised offer is subject to the following general limitations, conditions and qualifications:

(a) domestic laws, regulations, rules, procedures, decisions, administrative actions, policies, guidelines or any other form of measures;

(b) non-discriminatory qualitative measures pertaining to procedures, technical standards, licensing, prudential consideration, professional qualifications and competency requirement.

Commercial Presence

5. Unless otherwise specified, commercial presence in sectors or sub-sectors in this offer is permitted only through the company which is registered in Thailand and which meets the following conditions:

(a) foreign equity participation must not exceed 49 per cent of the registered capital; and

(b) the number of foreign shareholders must be less than half of the total number of shareholders of the company concerned.

Movement of Personnel

6. Without prejudice to paragraph 4 above, in all service sectors and sub-sectors, unless otherwise specified, temporary movement of natural persons is unbound except in the following categories:

(a) a natural person who stays in Thailand for not more than 90 days for the purpose of participating in business meetings or contacts, entering into contract to sell or purchase services, visiting of business establishments or other similar activities;

(b) a corporate transferee of the managerial or executive level, provided that such person has been employed by the company concerned outside Thailand for a period of not less than one year immediately preceding the date of their application for admission and has satisfied the criteria for management needs stipulated by the Department of Skill Development. Temporary entry is limited to a one year period and may be extended for a further two terms of not more than one year each.

Acquisition and Usage of Land

7. According to the Land Code of Thailand, foreign nationals or domestic companies which are deemed foreigners are not allowed to purchase or own land in Thailand. However, they may lease land and own buildings. Foreigners are also allowed to own part of condominium units under the laws and regulations governing the ownership of condominiums.

Scope and Classification of Sub-Sectors

8. The scope of sub-sectors contained in this offer, unless otherwise specified, corresponds to the explanatory notes for services listed in the 1991 Central Product Classification (CPC) of the United Nations Statistical Office, while the ordering is based on the Services Sectoral Classification List set out in document MTN.GNS/W/120 dated 10 July 1991.

Sector/sub-sector (W 120/CPC)	Mode of delivery (1) Cross border (2) Movement of consumers (3) Commercial presence (4) Movement of personnel	Limitations and conditions on market access	Conditions and/or qualifications on national treatment
Business Services			
1. Legal services (1Aa/86111+86119+86120+86130+86190)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound
2. Accounting, auditing and bookkeeping services (1Ab/86211 to 86213+86219+86220)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound

3. Architectural services	(1)	Unbound	Unbound
(1Ad/86711 to 86714+86719)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound
4. Engineering services	(1)	Unbound	Unbound
(1Ae/86721 to 86727+86729)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for civil engineer	None

5. Urban planning and landscape architectural services (1Ag/86741 to 86742)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound
<u>COMPUTER AND RELATED SERVICES</u>			
6. Consultancy services related to the installation of computer hardware (1Ba/ 84100)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
7. Software implementation services excluding programming and systems maintenance services (1Bb/ 84210+84220+84230)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

8. Data processing services excluding those provided over public telecommunications network (1Bc/84310+84320+84330+84390)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
9. Data base services excluding those provided over public telecommunications network (1Bd/84400)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

RENTAL/LEASING SERVICES WITHOUT OPERATORS

10. Rental Services concerning agricultural machinery, construction machinery, office machinery, other machinery and equipment without operator (1Ed/ 83106-83109)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragrah 6 of the cover note	None
11 Leasing Services concerning agricultural machinery, construction machinery, office machinery, other machinery and equipment without operator (1Ed/83106-83109)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragrah 6 of the cover note	None

OTHER BUSINESS SERVICES

12. Advertising services (1Fa/87110+87120+87190)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
13. Market research and public opinion polling services (1Fb/86401 to 86402)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

14. General management consulting services (1 Fc/ 86501)	(1)	None	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for legal and auditing consultants	None
15.Technical testing and analysis services (1Fe/ 86761+86769)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

16. Services incidental to mining at oil and gas fields (1Fh)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for civil engineer	None
17. Maintenance and repair services of office machinery and equipment including computers (1Fn/84500)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

18. Packaging services	(1)	Unbound	Unbound
(1Fq/87600)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound
19. Translation and interpretation services	(1)	Unbound	Unbound
(1Ft/87905)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

20. Publishing and Printing services excluding publishing newspaper (1Fr)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49 %
	(4)	Unbound	Unbound

COMMUNICATION SERVICES

Telecommunication Services

21. Data base access services (2Cj/part of 7523)	(1)	1.1 Service providers must use public telecommunication network under national telecommunication authorities; 1.2 Radio application service is subject to frequency availability.	None
	(2)	None	None
	(3)	a) shall be a Thai registered company with foreign equity participation not exceeding 40% (forty percent) of the registered capitaland the number of foreign shareholders must not exceed 40% (forty percent) of the total number of shareholders of the company. b) such company shall be permitted under the built-transferred-operated concept. c) must use public telecommunication network under national telecommunication authorities.	No conditions or qualifications as long as foreign equity participation does not exceed 40% (forty percent).
	(4)	Refer to paragraph 6 of the cover note.	None

22. On-line information and/or Data processing services (2Cn/ part of 843)	(1)	1.1 Services providers must use telecommunication network under national telecommunication authorities; 1.2 Radio application service is subject to frequency availability.	None
	(2)	None	None
	(3)	a) shall be a Thai registered company with foreign equity participation not exceeding 40% (forty percent) of the registered capital and the number of foreign shareholders must not exceed 40% (forty percent) of the total number of shareholders of the company. b) such company shall be permitted under the built-transferred-operated concept. c) must use public telecommunication network under national telecommunication authorities.	No conditions or qualifications as long as foreign equity participation does not exceed 40% (forty percent).
	(4)	Refer to paragraph 6 of the cover note	None.

23. Telecommunications equipment sales services (2Co/75420)	(1)	Unbound	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49% (forty-nine percent)
	(4)	(a) Refer to paragraph 6 of the cover note. (b) Unbound for civil engineers.	None
24. Telecommunications consulting services (2Co/75440)	(1)	Unbound	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49% (forty-nine percent).
	(4)	(a) Refer to paragraph 6 of the cover note. (b) Unbound for civil engineers.	None

AUDIOVISUAL SERVICES

25. Film / Video production and distribution services excluding promotion or advertising services (2Da/96112+96113)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions and qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
26. Radio / Television services only for production of radio/TV programmes (2Dc/96131+96132)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

CONSTRUCTION AND RELATED ENGINEERING SERVICES

27. Construction work for buildings (3A/51210+51220+51230+51240+51250+51260+51270+51280+51290)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for civil engineer	None
28. Construction work for civil engineering (3B/51310+51320+51330+51340+51350+51360+51371+51372+51390)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for civil engineer	None

29. Installation work	(1)	Unbound	Unbound
(3C/51610+51620+51630+51641+	(2)	None	None
51642+51643+51644+51649+51650+	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
51660+51691+51699)	(4)	a) Refer to paragraph 6 of the cover note b) Unbound for civil engineer	None

DISTRIBUTION SERVICES

30.Commission agents'services	(1)	Unbound	Unbound
(4A/62111 to 62118)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Unbound	Unbound

Insurance including reinsurance and retrocession

31.Life insurance services	(1)	None	None
(7Aa/81211)	(2)	None	Life insurance premium is tax deductible up to a certain amount for holders of policies issued by local companies.
	(3)	A maximum of 25 percent foreign participation with existing local insurance companies only.	Foreign branches are not permitted to set up sub-branches.
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note.	None
32.Non-life insurance services	(1)	None	None
(7Aa/8129)	(2)	None	None
	(3)	A maximum of 25 percent foreign participation with existing local insurance companies only.	Foreign branches are not permitted to set up sub-branches.
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note.	None

<u>Services auxiliary to insurance (excluding pension funding services)</u>			
33. Insurance broking and agency services (7Ad/81401)	(1)	Unbound	Unbound
	(2)	Unbound	Unbound
(Brokers shall not induce, advise or do any acts so as to cause any person to enter into insurance contracts with insurers abroad, except for reinsurance contracts).	(3)	Foreign equity participation not to exceed 25%.	No conditions or qualifications as long as foreign equity participation does not exceed 25 %
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note. c) Unbound for individual brokers and agents.	None

34. Insurance consultancy services excluding pension consulting services (7Ad/81402)	(1)	None	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49 %
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note.	None
35. Average and loss adjustment services (7Ad/81403)	(1)	None	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49 %
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note.	None

36.Actuarial services	(1)	None	None
(7Ad/81404)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49 %
	(4)	a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner. b) Refer to paragraph 6 of the cover note.	None

FINANCIAL SERVICES

Financial intermediation services except insurance and pension fund services

37.Credit card services	(1)	None	None
(7Bb/81133)	(2)	None	None
(Mobilizing funds from the public is prohibited, unless licensed under a financial law)	(3)	None other than that specified in paragraph 5 of the cover note, including the following conditions: Financial institutions must obtain prior approval from the Bank of Thailand.	No conditions or qualifications as long as foreign equity participation does not exceed 49%.
	(4)	Refer to paragraph 6 of the cover note.	None
38.Other credit services	(1)	Unbound	Unbound
- Factoring	(2)	None	None
(7Bb/81139)	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%.
	(4)	Refer to paragraph 6 of the cover note.	None

ervices auxiliary to financial intermediation other than to insurance and pension funding			
).Financial consultancy services	(1)	Unbound	None
(7Bk/81332)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%.
	(4)	Refer to paragraph 6 of the cover note.	None
.Acceptance of deposits and other payable funds from the public	(1)	None for financial advisory services. Unbound for all other services.	None
.Lending .Financial leasing .Payment and Money Transmission Services .Guarantees and commitments .Trading for own account, except on an exchange a. money market instruments	(2)	None for financial advisory services. Unbound for all other services.	None
	(3)	a) Representative office of banks 1. License required from the Bank of Thailand as a procedural matter. 2. Prohibited to operate banking business. Operation limited to provision of financial information and collection of information only.	None to the extent that the services are supplied by corresponding local banks.

b. foreign exchange c. exchange rate and interest rate instruments d. transferable securities 5.Participation in issues of securities. 7.Asset management 8.Custodial depository services only 9.Advisory and other auxiliary financial services 10.Provision of financial information services only	
b) <u>Foreign bank branches</u> 1. Unbound for new licenses. 2. ATM operations permitted under the following conditions only: (i) joining ATM pools operated by Thai banks; or (ii) operation within own premises and sharing the facilities with other commercial banks in Thailand. 3. One service point permitted per one foreign bank branch. No additional branch, sub-branch, office, or service-point allowed.	Bound only in accordance with the terms indicated in the Market Access column. Unbound for new licenses.
c) <u>Locally incorporated banks</u> 1. Unbound for new licenses. 2. Market Access limited to share acquisition of existing banks only. 3. Maximum foreign equity participation limited to 25% of outstanding shares. Combined shareholding of an individual	Bound in accordance with the terms indicated in the Market Access column; No limitations for foreign participation of up to 25% other than as indicated in

and his/her related persons not to exceed 5% of bank's outstanding shares. 4. At least three-fourths of the directors must be Thai nationals.	the Market Access column.
d) <u>International Banking Facilities</u> 1. License required from the Ministry of Finance. 2. 20 International Banking Facilities licenses awarded to foreign banks without commercial presence in Thailand. 3. IBF units permitted to operate only those banking and investment banking businesses as specified in Ministerial Order and Bank of Thailand Announcements issued on 16 September 1992.	None
e) <u>Finance companies</u> 1. No restrictions for representative offices, other than scope of operation limited to provision of financial information and collection of information only.	Bound only in accordance with the terms indicated in the Market Access column; No limitations for foreign participation of up to 25% and

2. Unbound for new licenses.
3. Market access limited to share acquisition of existing finance companies.
4. Maximum foreign equity participation limited to 25% of outstanding shares. Combined shareholding of an individual and his/her related persons not to exceed 10% of outstanding shares of company.
5. At least three-fourths of the directors must be Thai nationals.

f) Securities companies

1. No restrictions for representative offices other than licensing requirement.
2. Unbound for new licenses.
3. Market access for securities companies limited to share acquisition of existing securities companies.
4. Maximum foreign equity participation limited to 49 percent of outstanding shares.

securities companies with foreign participation of up to 49%, other than those indicated in the Market Access column.

	g) <u>Financial leasing services</u> Can be provided by finance companies which are subject to maximum foreign equity participation of 25% of outstanding shares, or through separately incorporated limited company with maximum foreign equity participation of up to 49 percent of outstanding shares.	Bound in accordance with the terms as indicated in the column on Market Access; No limitations for foreign participation of up to 49 percent.
(4)	Limitations on the number of non-resident foreign personnel for foreign banks are: a) 2 persons for banks operating as representative offices. b) 6 persons for banks operating as full-licensed branch only. c) 4 persons for banks operating as IBF branch only. d) 8 persons for banks operating as full-licensed and IBF branch. For finance companies and securities companies bound for reasonable requests for foreign personnel under management contract.	None

TOURISM AND TRAVEL RELATED SERVICES

51. Hotel lodging services	(1)	Unbound	Unbound
(9A/64110)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
52. Restaurant services	(1)	Unbound	Unbound
(9A/64210)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to the paragraph 6 of the cover note	None

53. Catering services	(1)	Unbound	Unbound
(9A/64230)	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
54.Travel agency and Tour operator services	(1)	Unbound	Unbound
	(2)	None	None
(9B/74710)	(3)	None other than that specified in paragraph 5 of the cover note and not less than half of the board of director of the company must be of Thai nationality.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

55. Hotel management services	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to the paragraph 6 of the cover note	None

RECREATIONAL,CULTURAL AND SPORTING SERVICES

56. Sporting services excluding other sporting services specified in CPC 96419 (10d/96411+96412+96413)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None
57. Recreational park and beach services (10d/96491)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note	None

TRANSPORT SERVICES

INTERNATIONAL MARITIME TRANSPORT SERVICES

58.Passenger transportation	(1)	None other than: 1.1 All vessels must use Thai telecommunication facilities (Ship to Shore/Ship to Ship) within Thai territorial Sea and Ports. 1.2 Unbound for pilotage services.	None
	(2)	None	None
	(3)	None	None
	(4)	Refer to paragraph 6 of the Cover note	None

9. Freight transportation	(1)	None other than: 1.1 All vessels must use Thai telecommunication facilities (Ship to Shore/Ship to Ship) within Thai territorial Sea and Ports. 1.2 Unbound for pilotage services.	None other than: 1.1 Shareholders of Thai maritime transport companies with ownership of Thai flag vessels may be granted exemption or reduced rates of income tax leviable on dividends paid by such companies. 1.2 Exporters or importers of goods shipped from or to Thailand by Thai flag vessels may be entitled to special deduction of not more than 50% of the freight values or other expenses paid in the ordinary course of carriage of such goods from their net income for the purpose of calculation of income tax.
	(2)	None	None
	(3)	None	To be registered as a Thai flag vessel for use only in international maritime transport, the vessel must be owned by a Thai-registered company meeting the following conditions: (a) majority of its directors are Thai nationals;

(b) its share certificate is not allowed to be issued to bearer, and either;

(i) not less than 51% of its capital is owned by Thai national/s, or;

(ii) not less than 51% of its capital is owned by juristic person/s established under Thai laws which all of its share-holders and directors are Thai national, or;

(iii) its capital is owned, either; entirely by two or more companies with the above mentioned qualifications, or by the said companies together with Thai national/s.

(4) Refer to paragraph 6 of the Cover note

Thai Flag vessels for use in international maritime transport must be manned by Thai nationals numbering not less than 75% of its crew.

60. International towing	(1)	None other than: 1.1 All vessels must use Thai telecommunication facilities (Ship to Shore/Ship to Ship) within Thai Territorial Sea and Ports. 1.2 Unbound for pilotage services.	None
	(2)	None	None
	(3)	None	To be registered as a Thai flag vessel for use only in international maritime transport, the vessel must be owned by a Thai-registered company meeting the following conditions: (a) majority of its directors are Thai nationals;

(b) its share certificate is not allowed to be issued to bearer, and either;

(i) not less than 51% of its capital is owned by Thai national/s, or;

(ii) not less than 51% of its capital is owned by juristic person/s established under Thai laws which all of its share-holders and directors are Thai national, or;

(iii) its capital is owned, either; entirely by two or more companies with the above mentioned qualifications, or by the said companies together with Thai national/s.

(4) Refer to paragraph 6 of the Cover note

Thai Flag vessels for use in international maritime transport must be manned by Thai nationals numbering not less than 75% of its crew.

Supporting Services for Maritime Transport

61. Shore reception facilities	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None
62. Port captain's services attached to specific foreign vessels	(1)	None other than: All vessels must use Thai telecommunication facilities facilities (Ship to Shore/Ship to Ship) within Thai Territorial Sea and Ports.	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None

63. Marine surveys and Classification Societies for the purpose of providing accurate documentation and certification of vessels	(1)	None other than those under regulations stipulated by the Harbour Department	None
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None
64. Freight forwarding services	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None

AIR TRANSPORT SERVICES

65. Aircraft repair and maintenance services (11Cd)	(1)	None	None
	(2)	Subject to capacities provided by any particular service provider.	None
	(3)	3.1 Only self-servicing is allowed and services providers must be a designated foreign airline accepted by Thailand under bilateral air services agreement with Thailand, from the country whose regulations do not prevent Thai air carrier from performing similar activities in that country. 3.2 Servicing rendered to any other airlines is allowed only in case that Thai operators cannot render services of certain type of aircraft to those airlines on condition that a service provider must comply with the conditions and limitations mentioned in 3.1	Unbound
	(4)	Refer to paragraph 6 of the cover note.	None

<u>Supporting Services for Air Transport</u>

66. Selling or marketing	(1)	Unbound	Unbound
of air transport services	(2)	Unbound	Unbound
(11Ce)	(3)	None other than: 3.1 That specified in paragraph 5 of the cover note. 3.2 Distribution through CRS is allowed only for airlines offices and one General Sales Agent office 3.3 Services providers must use Thai public telecommunication network under national telecommunication authorities.	Concerning value added tax, Thailand classifies airlines into 3 groups, based on reciprocal basis, as follows: 1) Airlines which have to pay 7% rate; 2) Airlines which are exempted from VAT system; and 3) Airlines which have to pay 0% rate.
	(4)	Refer to paragraph 6 of the cover note.	Unbound

AIL TRANSPORT SERVICES

7. Maintenance and repair of rail transport equipment (11Ed)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	(a) Refer to paragraph 6 of the cover note. (b) Unbound for civil engineering	None

ipporting Services for Rail Transport Services

3. Passenger and freight car cleaning services (11Ee)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified in paragraph 5 of the cover note.	No conditions or qualifications as long as foreign participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None

69. Security services at railway station (11Ee)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None
70. Storage and warehousing services (11Hb)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	None other than that specified paragraph 5 of the cover note.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None

ROAD TRANSPORT SERVICES

Other Non-scheduled Passenger Transportation

71. Rental services of passenger cars with operator (11Fa/71222)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	(a) None other than that specified in paragraph 5 of the cover note (b) Not less than half of the board of director of the company must be of Thai nationality.	No conditions or qualifications as long as foreign equity perticipation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None
72. Rental services of buses and coaches with operator (11Fa/71223)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	(a) None other than that specified in paragraph 5 of the cover note (b) Not less than half of the board of director of the company must be Thai nationality.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None

73. **Freight transportation only for frozen or refrigerated goods, bulk liquids or gases and containerized freight** (11Fb/71231 to 71233)	(1)	Unbound	Unbound
	(2)	None	None
	(3)	(a) None other than that specified in paragraph 5 of the cover note (b) Not less than half of the board of director of the company must be of Thai nationality.	No conditions or qualifications as long as foreign equity participation does not exceed 49%
	(4)	Refer to paragraph 6 of the cover note.	None