

**Protocol to Implement the Sixth Package of Commitment on Financial Services  
under the ASEAN Framework Agreement on Services**

**THAILAND  
SCHEDULE OF SPECIFIC SERVICES COMMITMENTS**

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**SCHEDULE OF SPECIFIC COMMITMENTS FOR FINANCIAL SERVICES UNDER AFAS**

Modes of Supply: 1) Cross-border supply 2) Consumption abroad 3) Commercial presence 4) Presence of natural persons

Sector or Subsector	Limitations on Market Access	Limitations on National Treatment	Additional Commitments
<b>A. Insurance including reinsurance and retrocession</b>			
Life insurance services (CPC 81211)	1) None 2) None 3) a) Foreign equity participation limited to 25 per cent of registered share capital. b) New establishment is subject to licence approved by the Minister with the consent of the Cabinet. 4) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner.	1) None 2) Life insurance premium is tax deductible up to a certain amount for holders of policies issued by local companies 3) None 4) None	
Non-life insurance services (CPC 8129)	1) Unbound except for international marine, aviation and transit and all classes of reinsurance 2) None 3) a) Foreign equity participation limited to 25 percent of registered share capital	1) Unbound 2) None 3) None	

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	b) New establishment is subject to license approved by the Minister with the consent of the Cabinet.  4) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner	4) None	
Services auxiliary to insurance (excluding pension funding services)  Insurance broking and agency services (CPC 81401) (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)	1) Unbound 2) Unbound  3) Foreign equity participation not to exceed 49 per cent.  4) a) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner b) Unbound for individual broker and agent.	1) Unbound 2) Unbound  3) No limitation as long as foreign equity participation does not exceed 49 per cent  4) None	
Insurance consultancy services (CPC 81402)	1) None 2) None  3) None other than that indicated in the horizontal section.  4) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner.	1) None 2) None  3) No limitation as long as foreign equity participation does not exceed 49 per cent  4) None	

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Average and loss adjustment services (CPC 81403)	1) None 2) None 3) None other than that indicated in the horizontal section. 4) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner.	1) None 2) None 3) No limitation as long as foreign equity participation does not exceed 49 per cent 4) None	
Actuarial services (CPC 81404)	1) None 2) None 3) None other than that indicated in the horizontal section. 4) Only senior managerial personnel, specialists and technical assistants with the approval of the Insurance Commissioner.	1) None 2) None 3) No limitation as long as foreign equity participation does not exceed 49 per cent 4) None	

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<b>B. Banking and Other Financial Services</b>			
<p>Acceptance of deposits and other repayable funds from the public</p> <p>Lending of all types, including consumer credit, mortgage credit, factoring and financing of commercial transaction</p> <p>Financial leasing</p> <p>Payment and money transmission services including credit, charge and debit cards, travelers cheques and bankers drafts</p> <p>Guarantees and commitments</p> <p>Trading for own account or for account of customers<sup>1</sup> in the following:</p> <p>(A) Money market instruments            (B) Foreign exchange            (D) Exchange rate and interest rate instruments</p>	<p>1) None for financial advisory and financial data processing. Unbound for all other services</p> <p>2) None for financial advisory and financial data processing. Unbound for all other services</p> <p>3) a) <u>Representative office of banks</u> None</p> <p>b) <u>Foreign bank branches</u></p> <p>I. None for existing foreign bank branches under present shareholding structure. New establishment is subject to licence approved by the Minister of Finance with the consent of the Cabinet.</p> <p>II. ATM operations permitted under the following conditions only:</p> <p>i) joining ATM pools operated by Thai banks; or</p> <p>ii) operation within own premises or sharing the facilities with other commercial banks in Thailand.</p>	<p>1) None</p> <p>2) None</p> <p>3) a) <u>Representative office of banks</u> None</p> <p>b) <u>Foreign bank branches</u></p> <p>None, except as indicated in the market access column</p>	

<sup>1</sup> The commitments for Securities Companies under this subsector are separately listed below.

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<p>(E) Transferable securities</p> <p>Participation in issues of all kinds of securities, including under-writing and placement as agent (whether publicly or privately) and provision of services related to such issues<sup>2</sup></p> <p>Asset management<sup>3</sup> as follows:</p> <ul style="list-style-type: none"> <li>- cash or portfolio management</li> <li>- collective investment management</li> <li>- custodian and depository services</li> </ul> <p>Advisory, intermediation and other auxiliary financial services<sup>4</sup></p> <p>Provision and transfer of financial information, and financial data processing and related software</p>	<p>III. Existing foreign banks which already had the first branch office in Thailand prior to July 1995 will each be permitted to open no more than two additional branches.</p> <p>IV. None for participation in cheque clearing and settlement system.</p> <p>c) <u>Locally incorporated banks</u></p> <p>I. Market access limited to the acquisition of shares of existing banks.</p> <p>II. (i) The amount of shares held by persons of Thai nationality shall not be less than 75 percent of the total amount of voting shares sold. Combined shareholding of an individual and his/her related persons shall not exceed 10 percent of total number of shares sold<sup>5</sup>, unless otherwise permitted by the Bank of Thailand</p>	<p>c) <u>Locally incorporated banks</u></p> <p>None, except as indicated in the market access column.</p>	

<sup>2</sup> The commitments for Securities Companies under this subsector are separately listed below.

<sup>3</sup> The commitments for Asset Management Companies under this subsector are separately listed below.

<sup>4</sup> The commitments on Investment Advisory for Securities Companies under this subsector are separately listed below.

<sup>5</sup> Total number of shares sold include voting and non-voting shares

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	<p>(ii) In the case where the Bank of Thailand deems appropriate, the Bank of Thailand may grant permission that persons of non-Thai nationality hold shares up to 49 percent of the total amount of voting shares sold.</p> <p>(iii) In the case where it is necessary to rectify the operation or to strengthen the stability of any locally incorporated bank or for the purpose of the financial institutions system stability, the Finance Minister with the recommendation of the Bank of Thailand shall have the power to relax the requirement of the shareholding other than those prescribed in (c) II (ii). Such equity participation will be authorized for a period of up to 10 years, with foreign shareholders who enter in this period being grandfathered thereafter with respect to the absolute amount of their equity holding.</p> <p>III. (i) At least three-fourths of the directors must be of Thai nationality.</p> <p>(ii) In the case where the Bank of</p>		

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	<p>Thailand deems appropriate, The Bank of Thailand may permit a proportion of non-Thai nationality directors of more than one-quarters but shall not reach one half of the total number of directors.</p> <p>(iii) In the case where it is necessary to rectify the operation or to strengthen the stability of any locally incorporated bank or for the purpose of the financial institution system stability, the Finance Minister with the recommendation of the Bank of Thailand shall have the power to relax the requirement of the directorship other than those prescribed in (c) III (ii) above. Such relaxation may be granted with rule and time clause.</p> <p>d) <u>Financial leasing services</u></p> <p>Can only be provided by leasing companies which are subject to maximum foreign equity participation of 49 per cent of paid-up registered capital, or by finance companies which are subject to maximum foreign equity participation of 25 per cent of paid-up registered capital.</p>	<p>d) <u>Financial leasing services</u></p> <p>None</p>	



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	<p>e) <u>Factoring services</u></p> <p>Can only be provided by factoring companies which are subject to maximum foreign equity participation of 49 per cent of paid-up registered capital, or by finance companies which are subject to maximum foreign equity participation of 25 per cent of paid-up registered capital.</p> <p>f) <u>Credit, charge and debit cards</u></p> <p>Credit, charge and debit cards can only be provided by companies which are subject to maximum foreign equity participation of 49 percent of paid-up registered capital or locally incorporated banks and foreign bank branches.</p> <p>The conduct of businesses under d), e) and f) will be subject to licensing and regulations to be announced.</p> <p>4) For banks, representative offices and finance companies, no quantitative limit applies for ASEAN nationals. Approval shall be granted based on foreign services provider's business plans and needs.</p>	<p>e) <u>Factoring services</u></p> <p>None</p> <p>f) <u>Credit, charge and debit cards</u></p> <p>None</p> <p>4) None</p>	

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<p><u>For Securities Companies<sup>6</sup>:</u></p> <ul style="list-style-type: none"> <li>- securities brokerage and dealing</li> <li>- derivatives brokerage and dealing</li> <li>- securities borrowing and lending</li> </ul> <p>Trading for own account, or for account of customers in the following:            (C) derivative products incl., but not limited to, futures and options            (E) transferable securities</p>	<ul style="list-style-type: none"> <li>1) Unbound</li> <li>2) None</li> <li>3) Unbound except:               <ul style="list-style-type: none"> <li>I. For representative offices: none</li> <li>II. For licensed securities company: foreign equity participation can be allowed up to 100 percent of paid-up capital.</li> </ul> </li> <li>4) As indicated in the horizontal section.</li> </ul>	<ul style="list-style-type: none"> <li>1) None</li> <li>2) None</li> <li>3) None</li> <li>4) As indicated in the horizontal section.</li> </ul>	
<p><u>For Securities Companies<sup>6</sup>:</u></p> <p>Securities Underwriting</p> <p>Participation in issues of all kinds of securities, including underwriting and placement as agents (whether publicly or privately) and provision of services related to such issues</p>	<ul style="list-style-type: none"> <li>1) Unbound</li> <li>2) None</li> <li>3) Unbound except:               <ul style="list-style-type: none"> <li>I. For representative offices: none</li> <li>II. For licensed securities company: foreign equity participation can be allowed up to 100 percent of paid-up capital.</li> </ul> </li> <li>4) As indicated in the horizontal section.</li> </ul>	<ul style="list-style-type: none"> <li>1) None</li> <li>2) None</li> <li>3) None</li> <li>4) As indicated in the horizontal section.</li> </ul>	

<sup>6</sup>Securities companies mean securities companies which are not commercial banks and insurance companies.





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Financial consultancy services (CPC 81332)	1) Unbound 2) None 3) None other than that indicated in the horizontal section 4) As indicated in the horizontal section	1) None 2) None 3) No limitation as long as foreign equity participation does not exceed 49 per cent 4) None	