



THAILAND – 2021

Key findings

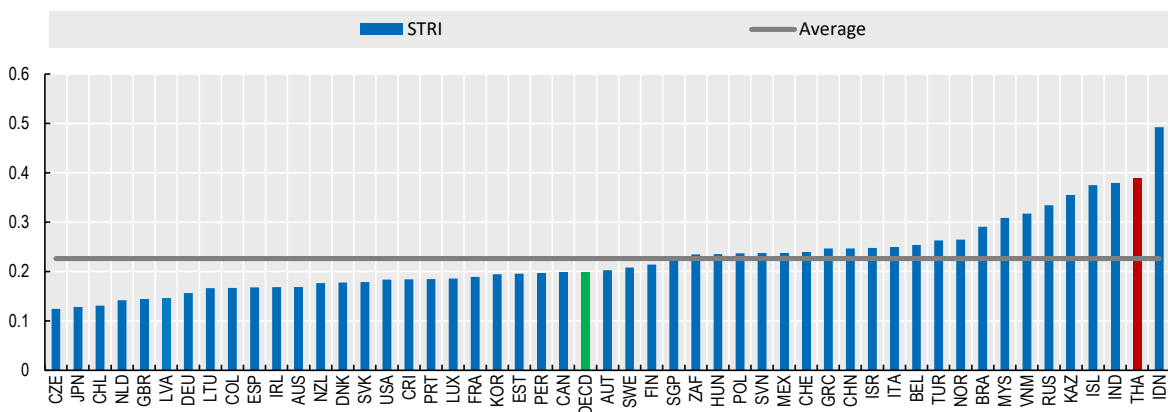
- The 2021 STRI of Thailand is high compared to other countries in the STRI sample, indicating a relatively stringent regulatory environment compared to others.
- The pace of reforms has slowed in the past few years. The indices have remained unchanged compared to 2020.
- Despite some liberalisation, restrictions are particularly prevalent in rail freight services and accounting services, with more restrictive foreign entry rules than in regional peers.

Recommendations

- Innovation and adoption of technology relies on access to knowledge and to the networks, people, goods and services that carry the knowledge around the world. In this context, Thailand could benefit from more open markets for services trade.

The 2021 STRI of Thailand is high compared to other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2021



Note: The STRI indices take values between zero and one, one being the most restrictive. The STRI database records measures on a Most Favoured Nation basis. Air transport and road freight cover only commercial establishment (with accompanying movement of people). The indices are based on laws and regulations in force on 31 October 2021. The STRI regulatory database covers the 38 OECD countries, Brazil, China, India, Indonesia, Kazakhstan, Malaysia, Peru, Russia, Singapore, South Africa, Thailand and Viet Nam.

The statistical data for Israel are supplied by and under the responsibility of the relevant Israeli authorities. The use of such data by the OECD is without prejudice to the status of the Golan Heights, East Jerusalem and Israeli settlements in the West Bank under the terms of international law.

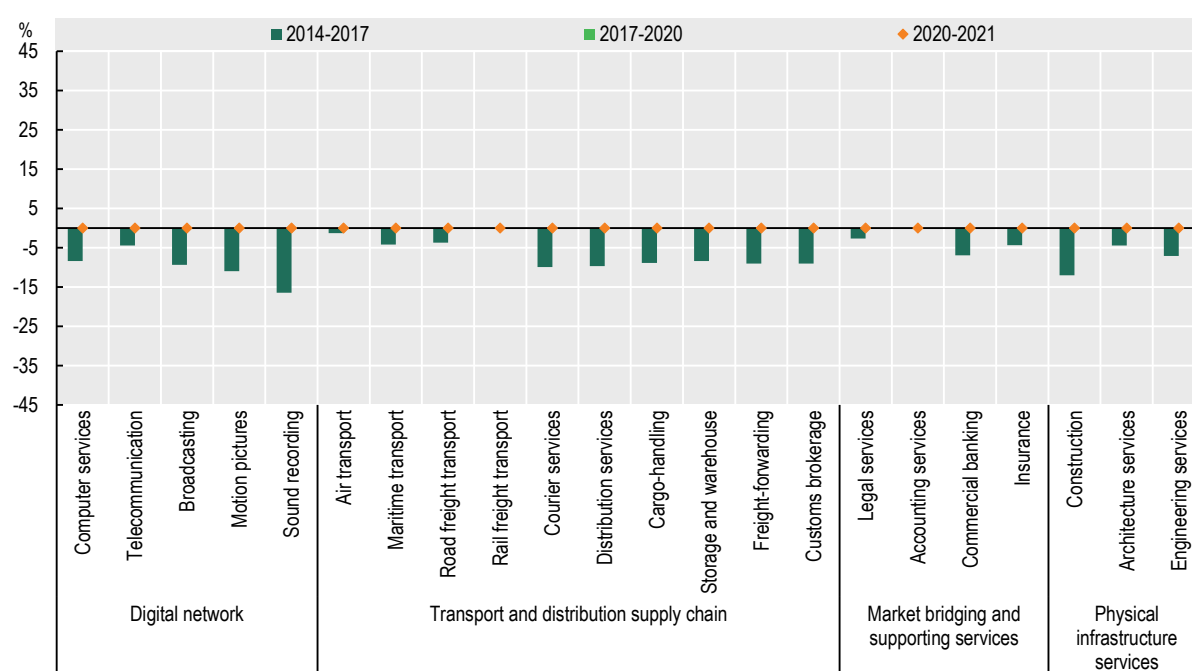
Source: OECD STRI and TIVA databases(2021).

The 2021 STRI score for Thailand is in large part attributed to general regulations that apply to all sectors in the economy. In particular, restrictions to foreign entry including screening of foreign investments, residency requirements for management bodies and restrictions to the acquisition and use of land and real estate contribute to the score. Furthermore, restrictions related to the movement of people such as short duration of stay in the country for work visas and limitations to the recruitment of foreign workforce in the form of performance requirements have a strong impact on the STRI score for Thailand. Under the Foreign Business Act (1999), market access for certain services remain limited (for instance specific authorisation is needed to provide legal services, accounting services and computer services).

Thailand introduced significant liberalisation reforms during 2014-2017, however, the pace of reforms has slowed down in subsequent years and no significant changes, as measured by the STRI, have been identified in recent years (Figure 2).

Figure 2. Evolution of STRI indices by sector in Thailand

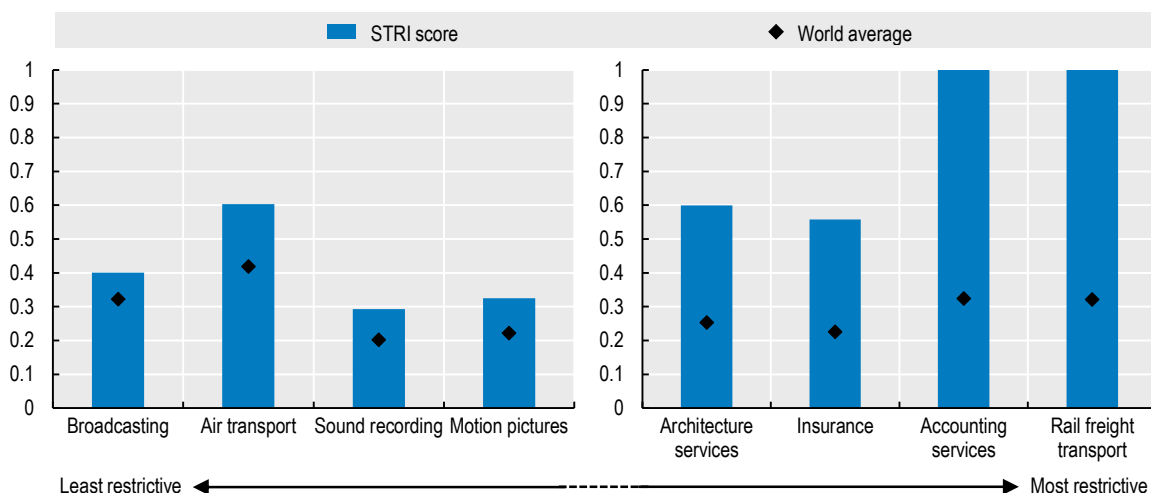
Services Trade Restrictiveness Index, percentage change over the period 2014-2017, 2017-2020 and 2020-2021



Source: OECD STRI database (2021).

Broadcasting, sound recording, courier service and air transport are the sectors with the lowest score relative to the average STRI across all countries. Architecture, insurance, accounting, rail freight services are the sectors with the highest score relative to the average STRI across all countries (Figure 3). Regarding rail freight transport services, the high score results from the fact that the rail service is mainly operated by a government-related agency. In this sector, the STRI captures foreign equity restrictions, residency requirements for board members and conditions related to cross-border mergers and acquisitions that go beyond competition-related considerations.

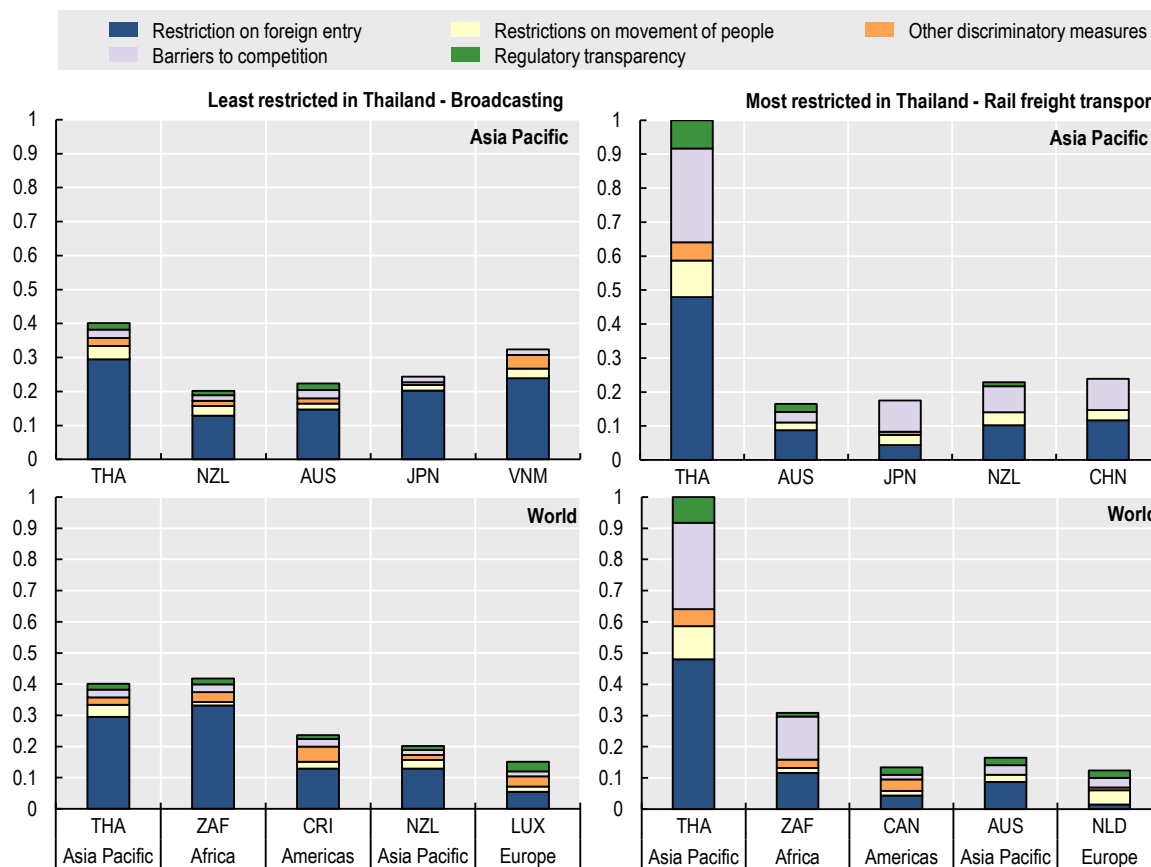
Figure 3. Sectoral breakdown: The least and most restricted sectors in Thailand



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference
 i.e. $(STRI_{country, sector} - STRI_{world average, sector}) / STRI_{world average, sector}$
 Source: OECD STRI database (2021).

Broadcasting are the least restricted service sectors in Thailand compared to Asia Pacific and the other best performers elsewhere while rail freight transport are the most restricted (Figure 4).

Figure 4. Thailand compared to Asia Pacific and World's best performers



Source: OECD STRI database (2021).

Key reforms

In May 2019 Thailand enacted a new Personal Data Protection Act establishing a framework for data protection and regulating cross-border data flows. The full enforcement of this Act has, however, been postponed to the second quarter of 2022.

More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about services trade policies and their impacts in [Services Trade Policies and the Global Economy](#)
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org>