



THAILAND – 2023

Key findings

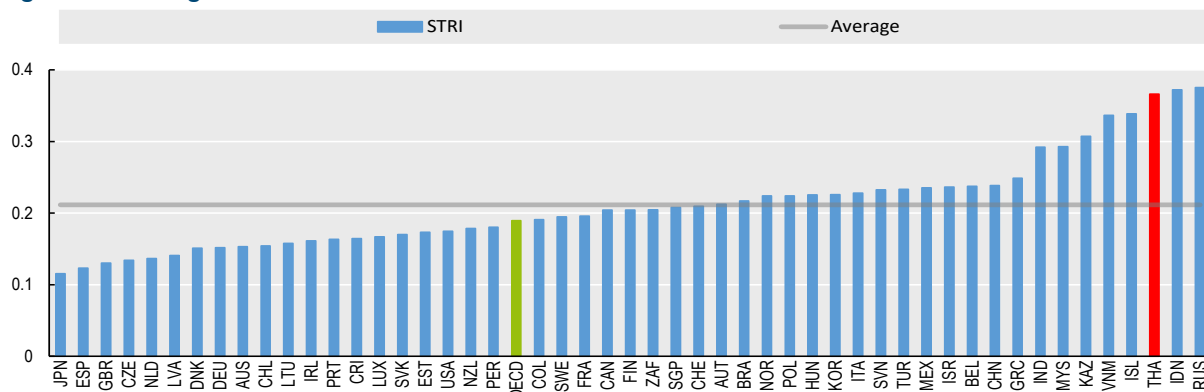
- The 2023 STRI of Thailand is above the OECD average and relatively high compared to all countries in the STRI sample, indicating a relatively stringent regulatory environment for trade in services.
- Thailand has demonstrated progressive liberalisation over the years; however, the pace of reforms has slowed down in recent years. In 2023, the STRI indices remain unchanged compared to 2022.
- Broadcasting is the most open sector in Thailand while rail freight transport and accounting are the most restricted.

Recommendation

- Trade in services strengthens resilience across supply chains, facilitating environmental sustainability and promoting greater inclusiveness. To ensure the benefits of open markets and a rules-based international trading system, national and multilateral action is needed to lower barriers and reduce trade costs, promote greater regulatory interoperability, and facilitate the digital transformation of economies

The 2023 STRI of Thailand is above the OECD average, and relatively high compared to other countries in the STRI sample (Figure 1).

Figure 1. Average STRI across countries, 2023ⁱ



OECD (2023). STRI and TiVA databases.

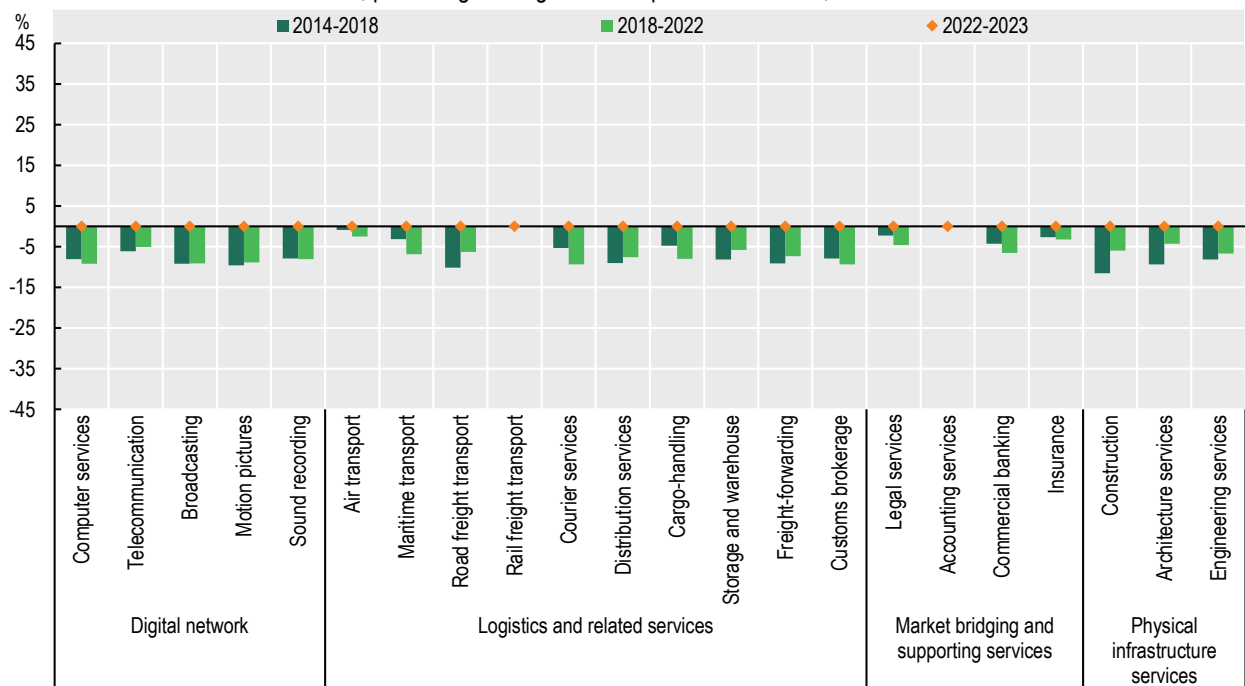
The 2023 STRI for Thailand is in large part attributed to horizontally applicable regulations that affect all sectors of the economy. In particular, restrictions to foreign entry, including screening of foreign investments, residency requirements for directors and managers, and restrictions related to cross-border transfer of personal data, contribute to the overall index. Under the Foreign Business Act (1999), market access for certain services remains limited; for instance, specific authorisation is needed to provide construction services, distribution services and computer services.

Furthermore, restrictions related to the movement of people, such as a relatively short duration of stay for service suppliers and labour market tests for foreign workforce, have an impact on the overall STRI for Thailand.

Thailand has undergone services liberalisation between 2014-22; however, the pace of liberalisation has slowed down in recent years (Figure 2). In 2023, the indices in all sectors remained unchanged compared to 2022.

Figure 2. Evolution of STRI indices by sector in Thailand

Services Trade Restrictiveness Index, percentage change over the period 2014-2018, 2018-2022 and 2022-2023

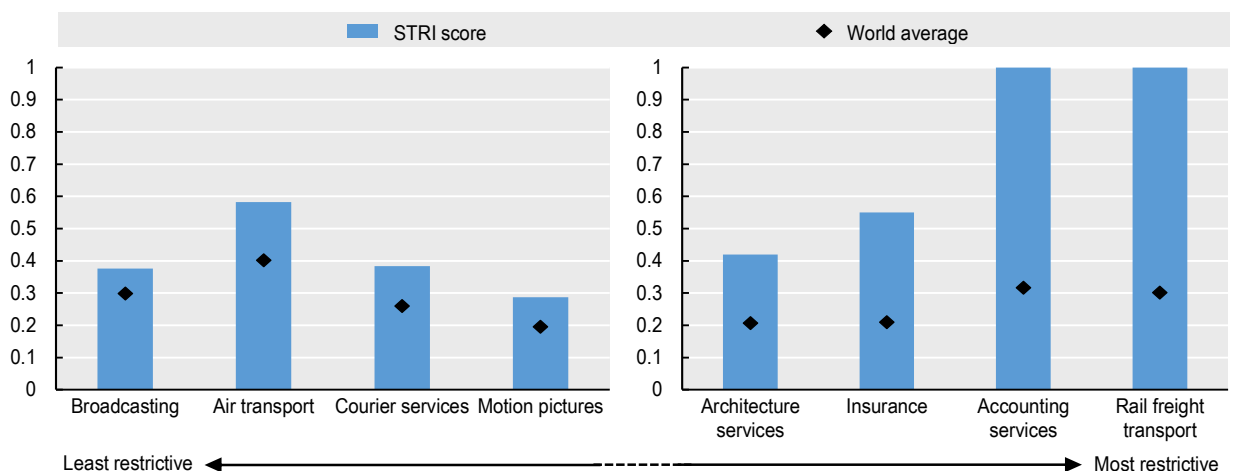


OECD (2023). STRI database.

Figure 3 ranks Thailand's sectors relative to the respective sector's world average. Broadcasting, air transport, courier services and motion pictures are the sectors with the relatively lowest scores. Conversely, architecture, insurance, accounting services and rail freight transport are the sectors with the relatively highest scores.

For accounting and auditing services, only locally licensed individuals or firms may acquire shares in these companies. Thai nationality is required for supervising, auditing or providing accounting services, and a temporary licensing system is not in place. These three conditions together close also the accounting sector for international trade.

Figure 3. Sectoral breakdown - The least and most restricted sectors in Thailand compared to world average



Note: Selection was made based on how far the sectors' score were from the world average score, as a percentage difference

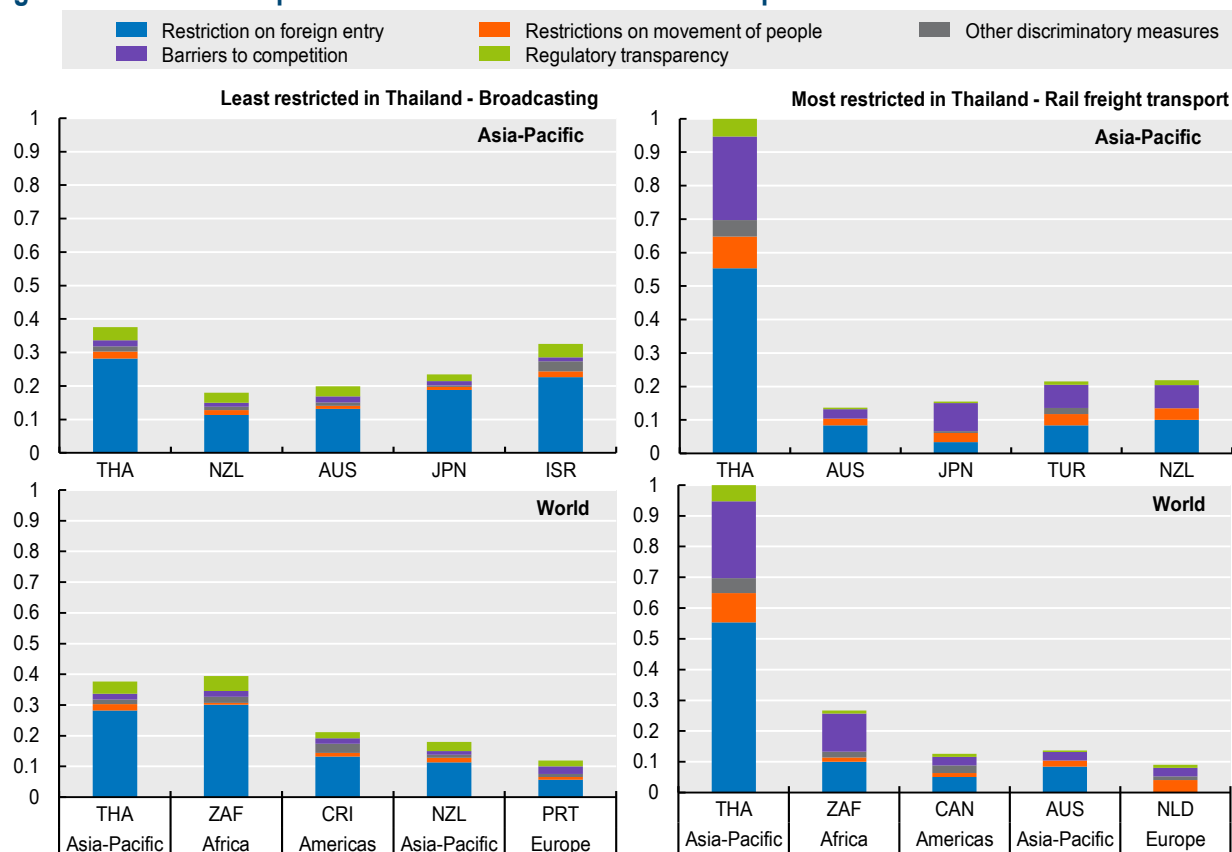
i.e. $(STR I_{country, sector} - STR I_{world average, sector}) / STR I_{world average, sector}$

Source: OECD (2023). STRI database.

Broadcasting services are the least restricted in Thailand compared to the average STRI across all countries. The composition of the indices indicates that restrictions on foreign entry have had an impact compared to best performers in Asia-Pacific and world best practice. The measures that contributed to this score include foreign equity restrictions, residency requirements for board members, and screening in the form of permission to provide broadcasting services.

On the other hand, rail freight transport is the most restricted services sector in Thailand compared to the average STRI across all countries. This sector is completely closed because all rail services must be conducted by the State Railway of Thailand, a state-owned enterprise. This, together with no significant cross-border transit rights for foreign suppliers, closes the market for international trade (Figure 4).

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



Source: OECD (2023). STRI database.

Recent policy changes

In May 2019, Thailand enacted the Personal Data Protection Act (PDPA) establishing a framework for data protection and regulating cross-border data flows. In June 2022, the PDPA was fully enforced after some provisions had been partially enforced ahead of the year. As a rule, personal data can be transferred to a foreign country if the destination country has an adequate data protection standard.

More information

- » Access all country notes, sector notes, and interactive STRI tools at <http://oe.cd/stri>
- » Read more about [Services Trade Policies and the Global Economy](#)
- » More information about measuring the regulatory environment for services trade in the APEC region: <https://apecservicesindex.org/>
- » More information about measuring the regulatory environment for services trade in the ASEAN region: oe.cd/aseanSTRI
- » Contact the OECD Trade and Agriculture Directorate with your questions at stri.contact@oecd.org

ⁱNote: 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 2023. The STRI regulatory database covers the 38 OECD Members, 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.