

ANNEX – ANNUAL SECTORAL REPORT

Chapter 3: Services

Chapter 3 (k:1) : Transport Services: Maritime			
Section	Improvements Implemented Since Last IAP	Current Entry Requirements	Further Improvements Planned
Operational Requirements	No changes made	<p>1. International Shipping International shipping in Thailand is open to both Thai and foreign maritime transport operators. To operate a vessel internationally under a Thai flag, one has to fulfil specific operational requirements imposed by the following laws:</p> <p>(1) The Thai Vessels Act B.E. 2481 (as amended by the Act B.E.2540). The operator must be a juristic person incorporated under Thai law with at least 51% of Thai equity. His vessel must also be registered for flying the national flag at the Marine Department.</p> <p>(2) The Navigation in Thai Waters Act B.E. 2456 (as amended by the Act B.E. 2540). The operation of such vessels when plying in Thailand's territorial water is under the supervision of the Marine Department for safety and marine environmental aspects.</p> <p>(3) The Mercantile Marine Promotion Act B.E. 2521. The operator referred to in (1) is also required to register as a maritime transport operator at the Marine Department.</p> <p>The competent authority responsible for the above-mentioned laws is the Marine Department, which is responsible for navigational safety, control of waterborne traffic, ship registration and inspection, maintenance of navigation channels, installation of aids to navigation, providing pilot services for seagoing vessels, training and monitoring the quality of seamen, minimizing environmental impact caused by navigation and ports, promotion and development of maritime transport and related business as well as enforcing the above-mentioned laws.</p> <p>The contact points for further information are: (1) Ship Registration Ship Registration Division Marine Department 1278 Yotha Rd., Samphanthawong, Prompraab, Bangkok 10100, Thailand Tel: (66-2) 235-7631 Fax: (66-2) 267-2367</p> <p>(2) Maritime safety (in general) and protection of marine environment</p>	No further changes planned.

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	No changes made	<p>Marine Safety and Environment Bureau Marine Department 1278 Yotha Rd., Samphanthawong, Prompraab, Bangkok 10100, Thailand Tel: (66-2) 234-1070 Fax: (66-2) 238-2309 Email: mseb@thaimail.com</p> <p>(3) Registration as a maritime transport operator Maritime Promotion Bureau Marine Department 19 Pra-Athit Rd., Pra Nakorn, Bangkok 10200, Thailand. Tel: (662-2) 2807900 ext. 410, 282-5871 Fax: (662) 282-5856</p> <p>2. Domestic Shipping</p> <p>For national security reason, Thai domestic shipping is restricted to Thai vessels according to the following laws:</p> <p>(1) The Thai Vessels Act B.E. 2481 (as amended by the Act B.E.2540) The vessels must be owned either by natural person of Thai nationality or juristic person incorporated under the Thai Civil and Commercial Code with at least 70% of Thai equity. Foreign operators can invest in Thai domestic shipping companies with their equity not exceeding 30% of total equity. Employing foreign vessel in domestic shipping may be allowed under certain conditions on a case by case basis by the Minister of Transport. (e.g. when certain types of existing domestic vessels are insufficient to render services which cannot be efficiently replaced by other modes of transport.) All vessels engaged in domestic shipping must be registered under a Thai flag at the Marine Department.</p> <p>(2) The Navigation in Thai Waters Act B.E. 2456 (as amended by the Act B.E. 2540). Like international shipping, the navigation of such vessels in Thai territorial waters is controlled by the Marine Department to ensure safety and minimize effects on marine environment.</p> <p>For national security concern, the restrictions on domestic shipping are just part of traditional integrated national security measures directed by higher</p>	No further changes planned

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	No changes made	<p>authority at the national level. To revise such restrictions would require intensive consideration by such authorities and other agencies concerned.</p> <p>The contact points for further information are:</p> <p>(1) Ship Registration Ship Registration Division Marine Department 1278 Yotha Rd., Samphanthawong, Prompraab, Bangkok 10100, Thailand Tel: (66-2) 235-7631 Fax: (66-2) 267-2367</p> <p>(2) Maritime safety (in general) and protection of marine environment Marine Safety and Environment Bureau Marine Department 1278 Yotha Rd., Samphanthawong, Prompraab, Bangkok 10100, Thailand Tel: (66-2) 234-1070 Fax: (66-2) 238-2309 Email: mseb@thaimail.com</p> <p>3. Port Operations The Port Authority of Thailand Act B.E.2494 (1951) as amended by the Act B.E.2543 (2000) listed work activities to be carried out by the Port Authority of Thailand (PAT) including management, monitoring and control of Bangkok Port, Laem Chabang Port and other designated ports. Currently, there are five public ports under the supervision of PAT, namely, Bangkok Port, Laem Chabang Port, Ranong Port, Chiang Saen Port and Chiang Khong Port. PAT is allowed to make decisions on appropriate management and operations of each port under its control, provide that such decisions must correspond to PAT's work objectives as stipulated by the Act. In response to the government's privatization policy, the operations of Laem Chabang port have been contacted out by means of concession.</p> <p>The contact point for further information is: Port Authority of Thailand (PAT) Project and Planning Department</p>	<p>The revised privatization plan of PAT, including the proposed establishment of subsidiary companies or business units for Bangkok Port, Laem Chabang Port, logistics management, regional port management and asset management respectively, is under consideration.</p> <p>To apply the privatization policy to port services, particularly in port management and operation.</p>

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		<p>Tel: (662) 240-2252, 269-3136 Fax: (662) 671-8817, 249-0885</p> <p>For the operations of other major public ports as well as private ports, the Thai Government has maintained the policy that the private sector be allowed to participate in port services either by operating the existing facilities in such ports or funding the development of and operating the new or additional facilities. To apply as a port operator, one must conform to the Foreign Business Act B.E. 2542 i.e. the operator must be a natural person of Thai nationality or juristic person incorporated under the Thai Civil and Commercial Code with at least 51% of Thai equity. Besides, the private operator is required to obtain permission for the construction, safety and operation of the port according to the Navigation in Thai Waters Act and the law on Business Affecting Public Security and Well-being.</p> <p>The contact points for further information are:</p> <p>(1) Port construction and safety (berth inspection) permits Harbour Master Branch Marine Safety and Environment Bureau Marine Department 1278 Yotha Rd., Samphanthawong, Prompraab, Bangkok 10100, Thailand Tel: (66-2) 234-1070 Fax: (66-2) 238-2309 Email: hm@md.go.th</p> <p>(2) Port operational permit Maritime Business Regulation Group Maritime Promotion Bureau Marine Department 19 Pra-Athit Rd., Pra Nakorn, Bangkok 10200, Thailand. Tel: (662-2) 2807900 ext. 405, 408 Fax: (662) 282-5856</p>	

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	No changes made	<p>with at least 70% of Thai equity. The ship duly registered under this category may also be employed in international shipping if it meets safety standards and other standards relevant to international shipping. The second category is for international shipping only. To register a ship under this category, the ship owner must be a limited company or public limited company incorporated under the Thai Civil and Commercial Code with at least 51% of Thai equity. A Thai flag vessel registered under the second category is not allowed to be employed in domestic shipping.</p> <p>Generally, there are no restrictions on access to cargoes to and from Thailand, except only the transport of goods from certain countries to Thailand which is required to be serviced by Thai flag vessels if such goods are purchased either directly or indirectly by government agencies or public enterprises.</p> <p>2. Port Operations</p> <p>Ships of all nationalities calling at Thai ports are treated equally without discrimination on the first come first serve basis. Foreign operators are allow to take part in port business* in Thailand on condition that they must comply with the Foreign Business Act B.E. 2542 i.e. in case of juristic person incorporated under the Thai Civil and Commercial Code, their equity must not exceed 49% with the remaining majority of Thai equity.</p> <p>*The definition of port business is indicated in the Port Authority of Thailand Act B.E. 2494 (1951).</p> <p>Thai government has a policy to promote private participation in port and port business so as to help boost Thailand's trade and economic expansion. The present privatization policy relating to maritime transport services has mainly concentrated on the privatization of the Port Authority of Thailand, which is now under consideration.</p>	No further changes planned

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	For Thai vessels engaging in international trade, it was initially stipulated that at least 75% of the crew must be Thai nationals. Currently, such regulation has been relaxed to 50% as a result of changes in seafarer demand and supply.	<p>3. Ship Crew</p> <p>The government has imposed a minimum requirement on national crew working on board Thai vessels with a view to providing work opportunity for Thai nationals. With regard to domestic shipping in which only Thai vessels are engaged, all ship crew must be Thai nationals.</p>	No further changes planned
Discriminatory Treatment/ MFN	So as to accomplish the commitment under the General Agreement on Trade in Services (GATS), Thailand has made progressive achievement in preparation for removal of MFN exemptions necessitated by such agreements. Consequently, the cargo sharing clauses in bilateral agreements between Thailand-China and Thailand-Vietnam have been abolished since May 30, 1995 and September 14, 1999, respectively.	<p>Maritime transport of goods and passengers to and from Thailand is open to all service suppliers regardless of their countries or territories of origin. Ships of all nationalities calling at Thai ports are treated equally without discrimination whatsoever.</p> <p>As the law on value-added tax (VAT) was amended in 1998, the same VAT rate at 0 % has been applied to all shipping companies providing maritime transport services into and/or from Thai territories without discrimination.</p> <p>In 1999, Thailand enacted the " Price of Goods and Services Act B.E. 2542 (1999)" and the "Trade Competition Act B.E. 2542 (1999)" with a view to ensuring free and fair competition in trade in goods and services. The Acts do not, however, have specific measure dealing directly with international shipping.</p>	<p>Thailand is in the process of reviewing the existing bilateral agreements on maritime transport in order to be in a position to remove MFN exemptions under GATS for trade in maritime transport services.</p> <p>Thailand is reviewing current market access limitations for all modes of delivery in maritime transport services under GATS, with a view to removing such limitations for APEC member economies where appropriate.</p>