



BUSINESSatOECD

Business and Industry Advisory
Committee to the OECD

OECD Accession Process: Thailand

Business Priorities for OECD Review

Priorities Paper
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Executive Summary

Thailand's accession to the OECD presents a transformative opportunity to align its governance, regulatory environment, and market practices with OECD standards and best practices. While Thailand has taken notable steps toward economic modernization, substantial reforms are required to address longstanding regulatory barriers and foster a more competitive, transparent, and investment-friendly business climate. This document outlines selected inputs which reflect international business priorities and accompanying recommendations for review throughout the OECD accession process:

Economic, Financial and Structural Reform

Despite recent progress, Thailand's financial markets remain underdeveloped and constrained by regulatory barriers that limit foreign participation. Ownership caps, restricted market access, and unpredictable regulatory changes deter innovation and long-term investment. To meet OECD standards, Thailand should undertake a comprehensive review of its financial regulatory framework to promote transparency, stability, and openness. Liberalizing foreign ownership, ensuring consistent supervisory practices, and establishing formal dialogue channels with foreign institutions would help build investor confidence and support a more dynamic, diversified financial ecosystem.

Tax

SMEs should be included in the formal economy which is important for employment generation and to expand the tax base. Expanding the tax base through digital transformation and targeted incentives is essential. Cross-border tax practices—particularly regarding withholding taxes and Advance Pricing Agreements—remain misaligned with international norms, often resulting in double taxation. Further aligning these mechanisms with global standards, simplifying refund procedures, and improving

treaty enforcement would enhance predictability and reduce compliance burdens. Fiscal discipline should be strengthened by phasing out earmarked taxes and adopting a transparent, rule-based budgetary framework. Excise regimes, especially in alcohol and tobacco, should be simplified and restructured around specific volume-based taxation to eliminate discrimination against imports and ensure compliance with WTO commitments.

Trade and Investment

Thailand's tariff structure remains high in several sectors, limiting market access. Swift tariff elimination, accompanied by safeguards against discriminatory excise increases, is essential. Import restrictions on agricultural, manufactured, and digital goods reduce Thailand's attractiveness as a regional hub and should be brought into line with WTO obligations. Customs procedures should be modernized through WTO-plus trade facilitation measures, including automation and risk-based processing. Non-tariff barriers—particularly in pharmaceuticals, food, and digital services—continue to impede trade and innovation. The digital economy holds strong potential, but recent regulatory developments, including e-commerce bans and data localization mandates, have created unnecessary obstacles. Supporting the WTO moratorium on digital duties and adopting clear, innovation-friendly rules on cross-border data flows would align Thailand's digital policies with OECD principles. Finally, legacy restrictions under the Foreign Business Act and sectoral ownership caps must be reformed to ensure equal treatment, transparent licensing, and predictable regulation—critical for attracting sustainable FDI and enabling Thailand's transition to a high-income, knowledge-based economy.

Regulation and Standards

In line with OECD good regulatory practices, Thailand should prioritize transparent, evidence-based policymaking, and

institutionalize systematic Regulatory Impact Assessments (RIAs) to ensure that new legislation is evidence-based, proportionate, and developed through stakeholder consultation. Fragmented and outdated regulations create uncertainty and raise compliance costs in several sectors. Adopting internationally harmonized standards in several sectors would reduce duplication and facilitate trade. In the health sector, advancing self-care policies, improving access to over-the-counter medicines, and promoting preventive healthcare would support public health and reduce system burdens. Regulatory clarity in the pharmaceutical sector—particularly on pricing, reimbursement, and market access—would enhance transparency and attract investment.

Public Governance and Bureaucratic Hurdles

Corruption remains a significant challenge, undermining investor confidence and distorting fair competition. Thailand ranked 108th globally in Transparency International's 2023 Corruption Perception Index, reflecting limited progress in tackling political and bureaucratic corruption. To reverse this trend, Thailand should consistently enforce anti-corruption laws, digitize administrative procedures, and close regulatory loopholes that enable discretionary decision-making. Leveraging advanced technologies, such as AI tools for detecting irregularities, could further strengthen oversight. Structural reforms to enhance transparency and reduce military influence in governance would help restore confidence in the rule of law and democratic institutions. Attraction for OECD Standards and Guidance on Anti-Corruption and Integrity will be important to address those important challenges.

Intellectual Property

Thailand has made progress in strengthening its IP framework, but enforcement remains inconsistent, and counterfeit goods—especially online—are widespread. Establishing a permanent consultation mechanism on IPR enforcement would improve coordination, build local capacity, and protect legitimate businesses. In the

alcoholic beverages sector, maintaining sole distributor rights is essential to prevent parallel imports, safeguard brand investment, and curb illicit trade. Stronger IP enforcement would reinforce broader trade and investment reforms and enhance Thailand's reputation as a reliable, innovation-driven market.

Environment, Energy and Climate Change

As Thailand strengthens its regulatory frameworks for chemicals, waste management, and climate action, it should do so in line with OECD good regulatory practices, which emphasize transparency, coherence, and evidence-based policymaking. Ensuring coherence with OECD environmental standards will be essential. Transparent policy implementation and consistent enforcement will be crucial to balance environmental protection with economic competitiveness. Closer alignment with OECD practices on chemical safety, sustainable energy use, and climate resilience would help Thailand build a greener and more sustainable growth model while attracting investment in clean technologies.

Introduction

The desire for a better future and wellbeing through economic prosperity and competitiveness unites people across the world. To broaden the reach of established standards, principles and good practices for the governance of markets, the enlargement of the *Organisation for Economic Co-operation and Development* (OECD) provides an essential opportunity.

In 2024, the OECD and Thailand decided to start engaging in an accession process. This implies a transformative, in-depth, multi-year opportunity for Thailand to enhance its international standing and raise the bar for economic and social governance. For the business community operating in and with Thailand, the accession process should result in an enabling environment and yield tangible benefits, including

- stronger economic growth;
- more trade and foreign investment;
- closer regulatory alignment and harmonization;
- better performing governments;
- higher financial stability and lower borrowing costs; and
- a more active, educated and healthy workforce.

To this end, the trusted, long-term alignment with OECD standards and principles must take priority over political considerations. To ensure the ability, capacity, willingness and responsibility of Thailand to fully implement all OECD standards and principles, a thorough OECD assessment of the current economic and legal environment is indispensable.

As the OECD's institutional private sector stakeholder, *Business at OECD* (BIAC) stands ready to support this effort as the informed, trusted, and collaborative focal point for business during Thailand's OECD accession process. This document provides an initial non-exhaustive compilation of business priorities for reform, drawing on the on-the-ground insights of our regionally and sectorally diverse private sector constituency.

In the context of the country's accession process, we encourage the OECD and the Thai government to review the below mentioned issues in greater detail and resolve any related business concerns. While these issues are structured below under eight main headings, we underline the cross-cutting nature and potential relevance to various policy communities of these priorities.

Business Priorities for Country Reform

Economic, Financial and Structural Reform

Market Conditions in the Financial Sector

The financial services industry is a foundational pillar of national infrastructure, playing a critical role in driving economic growth, facilitating investment, and supporting overall development. As such, it must be treated as a strategic priority within the OECD accession process. However, several segments of the domestic financial market remain underdeveloped, with market size and penetration rates lagging those of existing OECD member states.

To bridge this gap, it is essential to actively encourage foreign participation to infuse international expertise, capital, and innovation. Yet, progress is hindered by legacy regulatory barriers – such as outdated market entry restrictions and caps on foreign ownership – that limit competition and stifle market dynamism.

Moreover, the current regulatory environment poses challenges to long-term investment. Foreign financial institutions often face abrupt regulatory changes that lack transparency and predictability, undermining confidence and deterring sustained engagement.

To foster a more competitive and resilient financial sector, a comprehensive review of existing regulations and institutional frameworks is necessary. This review should aim to align domestic practices with OECD standards—particularly the OECD Code of Liberalization of Capital Movements—while also respecting national context, including cultural and institutional specificities.

Key reforms should include:

- Eliminating outdated entry barriers and gradually liberalizing foreign

ownership limits in strategic financial sectors.

- Establishing clear, consistent, and transparent regulatory and supervisory frameworks, with publicly accessible guidelines and predictable enforcement mechanisms.
- Creating formal channels for foreign stakeholders to participate in policy dialogue and regulatory development, ensuring their perspectives and long-term interests are considered.
- Promoting a stable and innovation-friendly business environment, where regulatory changes are communicated in advance and grounded in evidence-based policymaking.

By implementing these reforms, the country can create a more open, competitive, and sustainable financial ecosystem—one that not only meets OECD standards but also supports inclusive economic development and global integration.

Tax Reform

Tax System Modernization

Thailand faces a challenge with its tax collection system, which currently excludes a large portion of the population. To address this, the government should include SMEs in the formal economy, that also expand the tax base. This requires creating mechanisms that encourage SMEs to register and participate, such as offering incentives or implementing a negative income tax scheme to help build a comprehensive taxpayer database. Achieving this will depend on the right strategic approach and a robust digital transformation to support data visibility and integration.

International Tax Alignment

Thailand continues to treat compensation adjustments under Advance Pricing Agreements (APAs) as deemed dividends. This undermines the APA's purpose of preventing double taxation. The government should adopt a tax-exempt approach for APA-related adjustments to align with international norms and provide greater certainty for businesses.

Despite applicable treaty exemptions, a 15% withholding tax (WHT) is often levied on cross-border service payments, driven by audit risk aversion and refund complexities. This results in double taxation and uncreditable taxes. The government should ensure consistent enforcement of treaty provisions and introduce a transparent, streamlined refund mechanism that does not penalize compliant Thai companies.

Thailand's WHT rates—such as the 15% under the Japan-Thailand DTA—are higher than those in many other treaties. The government should renegotiate tax treaties to lower WHT rates, making the country more competitive and reducing burdens on cross-border investment.

Thai authorities frequently reclassify service or business income as royalties under domestic law, especially when bundled with property

rights, triggering higher tax liabilities and uncertainty. Income classification rules must be clarified and harmonized with international standards and treaty definitions.

These practices create cost and uncertainty that impact businesses that might be interested in increasing their incremental service activities in Thailand. Improvements in APA adjustments, WHT and service classification recommended here would incentivize, rather than punish, these businesses and promote Thailand's attractiveness as a location for this type of business activity.

Transfer Pricing (TP) disclosure forms now require global information already included in the Country-by-Country Report (CbCR). Due to earlier filing deadlines in Thailand, inconsistencies arise. The government should eliminate redundant reporting and align TP filing timelines with CbCR requirements, especially under the Multilateral Competent Authority Agreement (MCAA).

Current procedures do not distinguish between short-term business visitors and long-term expatriates, creating unnecessary compliance burdens. Work permit processes should be simplified and differentiated to support business mobility.

Under the BOI framework, companies must maintain a strict 3:1 debt-to-capital ratio to qualify for tax incentives, with financial subsidiaries facing gearing limitations on short-term borrowing. These rigid capital requirements should be removed or relaxed to enable greater financial flexibility across all sectors.

VAT and Special Business Tax (SBT) applied to foreign exchange and capital transactions significantly increase financial operation costs. These taxes should be reduced or abolished to promote financial sector growth and attract investment.

Excise Taxes

Excise taxes on goods and services across various industries are currently applied using complex systems combining both *ad valorem* and specific elements with exceptionally high rates. These taxes are often discriminatory between local manufacturers and foreign businesses or importers. This approach fails to generate sustainable revenue, encourages tax evasion, worsens illicit trade, and undermines fair competition.

Thailand's planned OECD accession presents a timely opportunity to address issues with the current excise tax system. Excise systems should be simplified and restructured around specific taxation at optimal rates, with a predictable adjustment calendar. This would help tackle negative externalities, enhance administrative ease, ensure transparency and fairness, and provide sustainable revenue.

The current hybrid alcohol excise tax model linking levies to both retail price and alcohol content results in a distorted outcome where cheaper local alcohol beverages are taxed much lower than higher-quality imports. This is not in line with accepted best practice for alcohol taxation which recognizes that "taxing alcohol based on the ethanol content of the beverage ties the tax most directly to most forms of harm from drinking and is primarily recommended from a public health and welfare perspective" Transitioning to a system of specific taxation based on alcohol content, while retaining the progressive elements in the current system would simplify administration, enhance fairness, and generate greater fiscal revenue and address negative externalities.

The business community is concerned about ongoing tax discrimination between locally produced white spirits (such as *lao khao*) and imported alternatives. Thailand represents a major market for spirits globally, ranking 8th by volume. However, despite strong market potential, the entry into force of discriminatory taxation in favour of local spirits in 2006 resulted in a marked decrease of the share of imported spirits within overall consumption. Past Thai governments committed to

narrowing this gap, and 2024 reforms partly addressed discrimination between imported wines and locally produced fermented alcoholic beverages. However, meaningful alignment across all alcohol beverages and removal of the tax discrimination in favour of local white spirits have not occurred, and significant concerns remain.

These persistent tax differentials between domestic and imported beverage alcohol constitute a clear distortion of trade and competition that must be addressed. The Thai alcohol excise tax structure includes both "ceiling" and "applied" rates. The ceiling rates are the maximum rates Thailand can legally impose under excise law and regulations, while the applied rates are the effective (actual) rates. The ceiling and applied rates often diverge due to the application of different tax bases and different applied rates for imported and domestic alcohol beverages creating a discriminatory effect that violates GATT Article III:2.

Ensuring tax fairness and regulatory transparency will be critical to rebalancing the market, restoring export growth, and promoting open and rules-based trade in alcoholic beverages. Discriminatory treatment of imported products must end, and tax reforms should align with WTO commitments by a clear and enforceable deadline. Until full compliance is achieved, Thailand should refrain from any further excise tax increases on imported alcoholic beverages that could offset potential tariff reductions and further exacerbate the problem of discrimination with local products.

In addition, Thailand should implement a unified excise regime based on specific taxation by alcohol volume for beer, wines and spirits.

Fiscal Policy

Earmarked taxes have been proposed or introduced instead of using regular budgetary tools, despite legal provisions that prohibit the collection of taxes for specific purposes unless explicitly authorized. For example, a proposed Clean Air tax would apply to various goods

and services regardless of their direct contribution to pollution, ignoring existing taxes and the Polluter Pays Principle (PPP). Such measures create unnecessary financial burdens and undermine fiscal discipline.

Thailand should improve its fiscal and monetary policy tools to ensure alignment with domestic laws, international practices, and obligations under FTAs, WTO, and IMF frameworks. A “Balance Policy” should be considered to achieve both economic and social goals without imposing unnecessary burdens on businesses and investors.

Trade and Investment

Market Access and Tariff Reform

Tariff Reductions

Businesses across sectors strongly support a comprehensive reduction of tariffs—ideally to zero—as swiftly as possible across all tariff lines in Thailand’s future FTAs with trading partners around the world. This applies to both imports into and exports from Thailand, recognizing that many companies operate integrated supply chains with production located in Thailand that serve multiple markets. As part of this effort, initial priority should be given to tariff lines currently subject to rates above 10%, acknowledging that phased reductions are likely. However, any phasing be front-loaded to deliver the most significant benefits early in the implementation process.

The HS Code evaluation should be adhered to international practices. One observation could be related to the ‘food supplement in liquid form’ which should be categorized under the dietary supplement with 30% import duty. However, the Customs made the ruling that it should be categorized as ‘drink’ with 60% import duty. This resulted in unnecessary increasing costs of business operation, competitiveness and the cost to consumers. The principle of international consistency and Harmonization of standards should be applied on the Customs ruling of the HS Code evaluation with harmonization.

Tariffs on Alcohol

Thai import tariffs on wine, wine products and spirits range from 54% to 60% ad valorem, which is very high, by both regional and global standards and constitutes a major barrier for trade. In some of their previous Trade Agreement, Thailand offered full liberalisation over a period of time for both wines and spirits. For instance, tariffs have been fully eliminated in the frame of the AANZFTA – which covers wine & spirits producers from Australia and New Zealand, while spirits tariffs were fully eliminated in agreements with China and Japan, who are both traditional

spirits producers. Meanwhile, Thailand has also offered full liberalisation over 20 years (ie, by 2041) to RCEP signatories – which include traditional spirits producers such as Korea.

A full and immediate elimination of all tariffs on wines and spirits from OECD countries is therefore essential when considering that several key players already benefit from 0 tariffs, and that others will in a relatively near future (in the frame of RCEP).

It is also essential to accompany this dismantling with a safeguard clause on internal taxation, to ensure that the benefits of tariff liberalization do not get cancelled out by a subsequent increase in excise taxes on alcoholic beverages.

There are significant opportunities to strengthen trade and investment in Thailand and restore declining spirits exports to support growth in Thailand's hospitality and tourism sector, while increasing jobs and revenue for the Thai government and reducing illicit alcohol trade.

Excessive import tariff rates, regressive Thai excise reforms in 2014 and 2017, and a range of non-tariff barriers to trade (NTBs) have restricted market access for spirits exports into Thailand and have deterred market penetration. A clear tax and balanced regulatory environment and the elimination of red tape is needed to boost growth opportunities. This will help ensure that the industry can support tourism, the hospitality sector, employment and economic growth while continuing to be a sustainable source of government tax revenue.

Tourism has been a crucial factor in boosting Thailand's economy in the past decade, accounting for approximately 17% of the country's gross domestic product (GDP). The Thai Government projected tourism receipts would rise from £53.02 billion in 2023 to £73.51 billion in 2024. Prior to the COVID-19 pandemic, tourism receipts totaled £69.06 billion from 39.9 million international visitors and 167 million local visitors. Food and beverage as well as socializing and nightlife entertainment, which includes alcoholic

beverages, contributed around 25% of Thailand's total tourism receipts.

Non-Tariff Barriers and Standards

NTBs and NTMs

Non-Tariff Measures abound with Thailand being perhaps the most profligate of all of the ASEAN member states. As a consequence, Non-Tariff Barriers are also a significant concern, and the business community seek the elimination of these over time.

For example, Pricing and Reimbursement conditions of Pharmaceuticals could indirectly create non-tariff barriers that impact market access of the pharmaceuticals from the European Union and the United States. Government policy is the key factor in access to medicines. Thus, impacting not only trade but the individual patient outcomes, quality of life, and society as a whole. Currently, there is a lengthy and uncertain decision-making process in the evaluation of listing to the national reimbursement list (National List of Essential Medicine). As well, the reimbursement of Civil Servant Medical Benefit Scheme initiated access restriction for all innovative medicine's entry to market with uncertain evaluation process in reimbursement approval.

Strengthening transparency in decision making or change in pricing and reimbursement schemes including with industry stakeholders will ensure any non-tariff barriers that may occur and impact to trade, investment and benefits of patients.

Import Restrictions in General

Thailand maintains a number of outdated, unclear, or overly restrictive laws and regulations that no longer reflect the country's current policy goals or economic realities. There are a wide variety that impact certain sectors and include import restrictions and tariff levels that can be prohibitive in nature and may favor state-owned industries. OECD accession presents an opportunity for OECD members to raise these market access challenges and encourage regulatory

alignment that enables fair competition and trade.

Imports Restrictions on Food

Thailand's National Act on Control of Marketing of Food for Infants and Young Children and Related Products (the Act) raises serious concerns about restrictions on formula and milk products for children up to three years of age, expanding previous restrictions on formula for infants under twelve months. The Act expands existing restrictions to cover a much broader range of promotional, advertising, educational, labeling and branding activities involving products that provide important nutrition for young children. The Act also adds criminal penalties such as imprisonment for non-compliance and establishes a committee of government and non-government representatives with non-transparent oversight and enforcement powers.

The law raises serious trade and public health concerns, as it:

- Discriminates against imported products by targeting them for these restrictions while exempting local products commonly consumed by older infants and young children;
- Ignores less trade-restrictive alternative policy measures that would better achieve Thailand's stated goal of increased breastfeeding rates; and
- Restricts the use of trademarked brand names, logos, symbols, and packaging, thereby denying consumers access to important information to identify reputable products that are safe and effective and increasing the risk that counterfeit products could enter the supply chain.

It diverges without scientific justification from relevant international standards, specifically those of the Codex Alimentarius, and from the World Health Organization Code of Marketing of Breast-Milk Substitutes, and it has generated concerns by leading medical

societies in Thailand, including the Royal College of Pediatricians. The Act is inconsistent with Thailand's obligations under the WTO TBT and TRIPS Agreements and would deny Thai consumers and healthcare providers access to important information that would enable them to identify reputable, safe products and to make informed decisions about nutrition for young children.

Import Restrictions for OTT Services

Thailand's National Broadcasting and Telecommunications Commission (the NBTC) is a governing policy on the classification of owners and operators of OTT services. The intention of the policy is to have owners and operators of onshore and offshore OTT services to be subject to the same or similar regulations as traditional broadcasters and telecommunications companies, including requirements to obtain and pay for operating licenses, pay a value added tax, and be subject to stringent checks on illegal content. Thailand's moves to regulate OTT services often are delivered without a local presence and should be treated with a flexible and light touch framework.

Thailand should further broaden the list of telecommunications services that can be provided by foreign carriers and eliminate the restriction on foreign ownership of telecommunications businesses. Expanding market access would increase competition and stimulate new investment in the Thai telecommunications market. Restrictions on FDI are a significant disincentive to investment by foreign service providers seeking to provide seamless, global services to their multinational enterprise customers.

Thailand's market entry restrictions are a significant disincentive to investment by foreign service providers seeking to provide seamless, global services to their multinational enterprise customers. Thailand should broaden the list of telecommunications services that can be provided by foreign carriers.

Import Restrictions on Fruits

The Thai Ministry of Agriculture and Cooperatives through the Department of Agriculture (DoA) establishes the requirements for the importation of plant products in application of the Plant Quarantine Act 2007, which classifies fruits as restricted and/or prohibited items. Among the vegetables, some are banned (tomato, eggplant and pepper) but there are quite a few that are authorized with the corresponding general health certificate. Almost all fruits (except blueberries) grown in Spain are classified as prohibited. They can only be imported after a Pest Risk Analysis, the corresponding pest management audit, post-harvest disinfestation, pre-shipment inspections and export certification systems with the corresponding protocol and bilaterally agreed official export certificate. As with all other countries.

Import Restrictions on Meat

The Thai Ministry of Agriculture and Cooperatives, through the Department of Livestock Development (DLD), sets the sanitary requirements (SPS) for the importation of animal products. Following the usual practice, these meats require the negotiation of a bilateral protocol with a specific official health certificate to be agreed between the Spanish Ministry of Agriculture and the Thai DLD. Such negotiations are rather tedious, and progress is slow. On the other hand, for products of interest to the local industry (offal, PAPs and genetic material) the authorities speed up the procedures for protocols or issue discretionary licenses.

The Ministry of Agriculture and Cooperatives, through the Department of Livestock Development (DLD), establishes the sanitary requirements for the importation of meat products that have not undergone heat treatment above 70°C or have not been cured by other methods. Other products in demand for local livestock, such as offal, genetic material and PAPs, are authorized on a discretionary basis and without great difficulty. Meat and sausages must go through the

procedures of negotiating sanitary protocols, the usual ones with all countries in the world.

Import Licensing

Since 2015, successive regulations have been generated and renewed, almost in their entirety. It affects the sectors of footwear, ready-to-wear textiles, electronics and IT, agri-food products and beverages. The impact of these measures is both wide-ranging and difficult to assess. Although the barriers linked to import licensing are still very significant, the process of simplifying licensing regulations is an improvement on previous periods. However, the government's interest in expanding the application of the commodity balance to new products threatens to significantly reduce the import quotas allowed for different sectors.

It is not unusual for Thailand to impose requirements for import licenses as a means of restriction of the importation of certain goods. A specific example of this is industrial ethylchloroformate (ECF) and industrial red phosphorus for plastic frame retardants. Because of a rule from the Thai Ministry of Defense, any threshold >0% of these substances requires an import license – which normally takes 3-5 months. This requirement is more restrictive than customary international practice and is in essence a trade barrier for ingredients for normal construction and plastic products.

Customs Procedures & Trade Facilitation

Businesses continue to face discriminatory customs procedures in Thailand, driven in part by a “reward” system that creates conflicts of interest for officials involved in customs valuation. This system remains a significant non-tariff barrier and has, in some cases, resulted in baseless charges against companies and individuals, despite existing Thai law and judicial rulings. While legislative reforms have reduced potential fines and rewards, the underlying incentives for improper accusations and corruption persist. Companies have also raised concerns regarding recurring challenges in customs classification.

Against this backdrop, provisions on trade facilitation in Thailand's future trade agreements must be robust, enforceable, and WTO-plus in nature. Current commitments in many FTAs are largely declaratory and lack meaningful operational impact. At a minimum, trade facilitation chapters should:

- Incorporate the full set of commitments under the WTO Agreement on Trade Facilitation (ATF);
- Include standstill and rollback disciplines on trade facilitation-related measures, including non-tariff measures;
- Ensure WTO-plus commitments using the ATF as the baseline.

Suggested areas to be covered include:

Publication and Transparency

- Ensure publication of all customs laws, regulations, and administrative procedures.
- Establish one or more inquiry points accessible to interested parties and publish clear procedures for submitting inquiries.
- Publish proposed regulations in advance and allow for stakeholder comments prior to adoption.

Release of Goods

- Adopt simplified and efficient procedures for releasing goods.
- Commit to release goods within the minimum time necessary to ensure compliance, and where possible within 48 hours of arrival.
- Enable electronic submission and processing of customs documentation prior to arrival.
- Permit release of goods at the point of arrival without mandatory transfer to separate facilities.

- Allow release prior to final determination of duties, taxes, or fees.

Automation

- Use IT systems that streamline the release process.
- Ensure electronic systems are accessible to users.
- Apply international standards and develop common data elements consistent with the WCO Data Model and related guidance.

Risk Management

- Implement electronic or automated risk management systems that focus inspections on high-risk consignments and expedite low-risk shipments.

Expedited Shipments

- Maintain expedited clearance procedures for express consignments while ensuring appropriate controls.
- Provide separate procedures for express shipments and enable electronic pre-arrival submission of information.
- Allow single manifests and minimal documentation where possible.
- Under normal conditions, clear express shipments within four hours of submission of required documents.
- Apply these procedures irrespective of shipment value or weight, and exempt low-value shipments from duties and formal entry where feasible (e.g., for shipments valued at USD 200 or below).

Review and Appeal

- Ensure access to independent administrative review and judicial review of customs decisions.

Penalties

- Maintain civil, administrative, and—where appropriate—criminal penalties for violations of customs laws, including classification, valuation, origin determinations, and preferential treatment claims.

Advance Rulings

- Provide written advance rulings on tariff classification, origin, valuation, and other customs matters at the request of importers, exporters, or producers.
- Issue rulings within a reasonable and predictable timeframe (e.g., within 90 days when all required information is provided).
- Provide for administrative review of rulings and publish rulings publicly, including online.
- Apply proportionate measures where false or incomplete information has been submitted.

Coherence and Consultation

- Ensure that any new or proposed regulations affecting clearance processes are transparently shared with all parties to the agreement and subject to consultation.

Technical Barriers to Trade & Standards Harmonization

Need for Regulatory Cooperation and Standards Harmonization

The Business community would welcome the inclusion of an annex related to alcoholic beverages in future Trade Agreements, to provide regulatory cooperation to secure the removal of technical barriers to trade and standards' harmonization.

Thai regulations include wine, wine products definitions standards and standards that differ from internationally recognized ones (including OIV's), leading to potential technical barriers to trade. This regulatory discrepancy also implies divergences on

analytical parameters, creating a concrete barrier for certain products from OECD Members countries with the recent requirement to provide a certificate of analysis.

The Thai legislation also considerably restricts the number of additives and treatments authorized in wines, even though these are internationally recognized and do not present risks from a safety point of view. Such restrictions constitute a major technical barrier for wine products.

Given the technical nature of the trade barriers that alcoholic beverages are increasingly facing in export markets (i.e. restrictions on oenological practices, products' definitions, conformity assessment...etc.), the promotion of OIV international standards could serve as a powerful tool to reduce the need for wine exporters to comply with different standards in different markets.

The International Organisation of Vine and Wine (OIV) has developed an extensive set of technical standards. For example, alcohol business would be better protected from the increasing panoply of unfair trading practices and technical barriers if OIV international wine standards were further embraced worldwide. This is supported by SURA study, commissioned by IARD and completed by Oxford Economics

Negotiations should address the existing technical barriers currently limiting the access of certain products to the Thai market. A harmonization with international standards such as OIV standards, also must be at the heart of the discussions.

Advertising and Communications

Thailand has recently published the amended Alcoholic Beverage Control Act B.E. 2568 (2025), which will take effect on 8 November 2025. While some sections present opportunities—such as the cancellation of the Revolutionary Decree prohibiting alcohol sales between 2–5 pm (in place since 1972), the repeal of the NCPO order banning the establishment of premises selling alcohol near educational institutions or dormitories, and

the allowance of vending machines with ID-verification mechanisms—several provisions remain pending until implementing laws are drafted within the next 12 months.

One key area of concern is Section 32/1-5, which introduces exceptionally broad and vaguely worded restrictions on advertising and communications. In practice, this has been interpreted as a near-total ban, prohibiting any medium deemed to “induce” consumption. Such restrictions have prevented responsible brand-building and growth.

We understand that the intent of the revised ABCA B.E. 2568 (2025) is to modernize outdated laws and regulations, ensuring they are more relevant to today's environment and circumstances, with a focus on controlling youth access and curbing excessive consumption, while also strengthening enforcement. However, some clauses particularly around advertising, are potentially more restrictive and may potentially impact industry growth. As industry, we are seeking greater collaboration and consultation as the implementing laws are being drafted, to ensure any changes to the laws will be in line with this intention.

Restrictive Labelling Regulations

The multiplication in Thailand in recent years of measures that constitute possible technical barriers to trade in alcoholic beverages, when they are not proportionate and based on scientific evidence remain a concern.

In February 2024, Thailand issued a proposed regulation that reintroduced the concept of graphic health warning labels (GHWL), reintroduced a vague and confusing list of prohibited images and messages from being displayed on a label, and introduced a cancer warning statement. It was not notified to the WTO. Thailand originally proposed the GHWL concept for beverage alcohol in 2009 and issued proposals in 2010 and 2014. The proposal requires the nine GHWL and statements to be rotated at one-thousand bottle intervals, introduces pregnancy and drunk driving pictograms, and reintroduces a vague and confusing labeling proposal that

was initially proposed in 2014.

On July 24, 2024, Thailand notified a proposed warning label regulation to the WTO (G/TBT/N/THA/747), which restates what is currently required and will not require companies to make changes to their labels. This proposal is not the final draft and is a “placeholder” to provide additional time to work on the proposal while respecting domestic procedural and legislative requirements.

The restrictive labelling regulations outlined in the Thai authorities' proposal text can lead to potential infringement on trademarks, and additional barriers and costs for importers. The rules are even more uncertain given the discretion given to individual officials in interpreting the regulation, and duplicating government authorities involved in determining decisions (Excise, FDA, OABCC).

The discussion with Thailand in the context of its accession to the OECD should seek to address these issues, ensuring fair and non-discriminatory treatment for all wine and spirits producers and removing disproportionate restrictions on labelling that hinder market access. We hope these discussions would also permit to remove any disproportionate restrictions on the labelling of wines and spirits and aim at harmonizing Thai labelling practices with international standards.

Certificates and Testing Requirements

The procedures for importing and placing products on the Thai market can be complex, time-consuming and costly. In 2017, the Kingdom of Thailand adopted new requirements for the import of alcoholic beverages into Thailand. Under the Ministerial Decree on the Permission to Import Alcoholic Beverages into the Kingdom of Thailand, importers were required to submit a detailed certificate of analysis for each reference in support of their application for an import license, issued by a competent control body/accredited laboratory in the country of origin and incorporating the analytical parameters set out in the Thai regulations -

which are not usually included in routine analysis, and many of which are inappropriate for wine and spirits products. Thailand did not provide the scientific evidence justifying the need to carry out analysis of non-typical parameters, which significantly increased the costs of import in Thailand. As an alternative, operators could provide samples of the products for analysis by the Thai inspection bodies, which will then issue the said certificate of analysis. While some companies have chosen this option, this practice can be particularly costly.

Several improvements were subsequently introduced:

- The validity period of the COA for imported liquors was extended to 3 years (while a COA was requested for every single shipment previously). While this constitutes an improvement, a COA has to be only presented once, when the product is first registered with the Excise Department.
- TED's revised notification of September 2020 on the required quality standard for imported alcoholic beverages provides an alternative to submitting a COA in the form of an export certificate by a competent authority with the requisite attestations.
- TED recognizes a greater number of alternative methods of analysis as equivalent (e.g., those complying with ISO/IEC17025 or recognized by international or regional organizations standards).

While recent simplifications have been welcomed, additional simplifications should be considered - not least to ensure that a COA remains valid without time limit from the product registration.

Wines and spirits are, due to their composition, intrinsically safe and shelf-stable and cannot be considered as high-risk products from a sanitary point of view. In addition, most, if not all, legitimate firms engaged in the manufacture of alcohol who export wines and spirits to Thailand adhere to

international standards and global best practices to ensure product safety. These include the Hazard Analysis Critical Control Point (HACCP) System—which addresses biological, chemical, and physical hazards from raw material production, procurement and handling, to manufacturing, distribution and consumption of the finished product, among others. In light of this, Thailand should be encouraged to reconsider its certification requirements entirely.

Product Certification Requirements

Labelling Standards

There are several concerns across various sectors relating to laws in Thailand on the labelling of certain products, either laws that are enacted or could be potentially enacted. Some of these issues relate to possible IPR infringements (e.g. relating to labelling restrictions on alcoholic beverages, and other possible IPR and trademark nullification issues such as potential restrictions on brands, trademarks, icons, logos, mascots and colors, to simple practicalities or inconsistent implementation of existing regulations). Again, some examples are set out in the annexes to this letter. Considering overly burdensome labelling restrictions to be a non-tariff barrier that would need to be addressed as part of the negotiations to ensure that such measures, even if enacted in the future, would be deemed to be inconsistent with this agreement.

Traceability

It is essential for the wine and spirits sectors to ensure that consumers' access to quality products is guaranteed and to protect consumers against possible incidents that could be prevented through traceability. Lot codes placed on bottles by producers play a critical role in the protection of consumers by allowing for fast and targeted recalls of products in the event of an incident or lack of compliance of a product.

Codex Alimentarius, and many jurisdictions around the world require that producers

include a lot code on individual packages that enable the company to identify specific products lines easily and conduct a product recall if necessary. Most of these jurisdictions foresee heavy penalties in case of tampering with lot codes and prevent the sale of products that do not feature such lot codes.

There is no legitimate reason to remove or tamper with a lot code. However, counterfeiters and smugglers in Asia routinely remove them to ensure that their sales cannot be traced to them – in an attempt to disguise smuggled and counterfeited products.

We would be grateful if Thailand could be encouraged to adopt should include clear legal provisions prohibiting the removal of traceability information (“decoding”) and stringent penalties in order to safeguard product authenticity and traceability and protect consumers. To ensure efficient and reliable supply chains, operators must be able to rely on a single, globally accepted traceability system. Existing industry practices—which already support food and consumer safety—should therefore continue to be permitted, and any new legal obligations must take these established systems into account while leaving room for future innovation.

Introducing country-specific coding requirements that necessitate separate bottling runs or differentiated Stock Keeping Unit (SKU) management would create operational inefficiencies and impose unnecessary costs. It is important that such requirements be avoided to maintain smooth trade flows and support business competitiveness.

Rules of Origin and Regional Supply Chains

Rules of Origin Simplification

Thai government needs to support the adoption of the simplest possible approach for Rules of Origin (ROO) in future trade agreements. Specifically, a system where a change in HS Code classification serves as the determining factor for meeting ROO

requirements would be most appropriate. Likewise, any local content requirements should be kept to a minimum.

- As international trade increasingly relies on regional logistics hubs, goods that meet originating product requirements—including compliance with non-alteration rules—must remain eligible for preferential tariffs or concessions, irrespective of transshipment through a non-party hub country,
- the duration of customs-supervised storage in that hub, or
- the use of third-party invoicing.
- Provisions on origin procedures should reinforce trade facilitation objectives by ensuring: Acceptance of both the statement on origin from exporters and the statement of knowledge by importers as valid claims for preferential tariff treatment;
- Clear stipulation of any additional conditions for goods transshipped through non-party hub countries (e.g., certificate of non-manipulation);
- Definition of third-party invoicing, including how many trading entities may be involved;
- Listing of 'minor discrepancies' under which a certificate of origin remains valid;
- Clear procedures for post-importation origin verification, with documentation requirements agreed at the government-to-government level, not business-to-business.

In the past, Thai Customs has rejected back-to-back Certificates of Origin in situations where goods merely transit through third-party hubs. This has caused significant challenges given that such transshipment is a standard feature of modern supply chains. Negotiators should ensure that any future agreement contains

watertight provisions preventing such rejections and supporting the seamless movement of goods through regional hubs.

Regional Hubs for Wines and Spirits

To ensure that all wine and spirits producers benefit from the agreement and any negotiated tariff reductions, it is essential to secure ROO provisions that allow for the use of regional hubs. These hubs are a cornerstone of supply chain models that enable economies of scale. Therefore, splitting consignments in regional hubs and non-party invoicing must be permitted.

Precedents from other modern trade agreements demonstrate that flexible and facilitative ROO language can support efficient trade flows. At the same time, experience shows that agreed flexibilities must also work in practice. This includes ensuring that customs and IT systems correctly recognize the originating status of goods, even when they transit through regional hubs, so that traders can reliably claim preferential treatment.

Integrated Supply Chains and Cumulation Flexibility

Certain products—such as spirits, beverages, and food items—are often produced using components sourced from multiple locations. These supply chains are deeply integrated, relying on traditional production methods and cross-border collaboration.

Current ROO provisions in some FTAs have created challenges for such products, which may no longer qualify for preferential access due to the origin of specific inputs or minimal processing steps. To support the continuity of these integrated supply chains and ensure fair market access, the future trade agreements should:

- Allow cumulation of inputs sourced from different production locations, and

- Recognize minimal processing (such as bottling and packaging) as sufficient for origin qualification.

This approach would help preserve longstanding production models, support regional economic development, and ensure that producers can fully benefit from the agreement.

Digital Trade

Cybersecurity Law

In 2019, Thailand passed a controversial Cybersecurity Law. Industry has criticized the law due to provisions that enable government surveillance.¹ Under the law, officials are granted authority to “search and seize data and equipment in cases that are deemed issues of national emergency.”² This could “enable Internet traffic monitoring and access to private data, including communications, without a court order.”³

Import Duty Collection on Electronic Transmission of Digital Goods

A key industry concern for all OECD accession candidates, potential candidates or accession requestors is the WTO moratorium on the application of customs duties on electronic transmissions. OECD research has consistently shown that the moratorium contributes significantly to the growth of digital technologies, transactions and trade. Yet its renewal at MC14 is under threat by a few countries that question its value, seek to end a 26-year-old WTO policy, and make it harder to trade. All OECD members and accession candidates should fully support the moratorium to be in alignment with OECD research, principles, and best practices. In addition to the WTO moratorium, a prohibition should be applied on the application of

customs formalities to digital goods as well as on post-clearance audits and customs enforcement mechanisms to digital goods.

Asymmetric Platform Regulation

The Royal Decree on Digital Platform Services (B.E. 2565) came into effect on August 20, 2023, and requires relevant services to notify the Government prior to starting business operations, with large-scale services subject to additional requirements such as mandatory risk management systems and internal compliance managers. The Decree is overly broad beyond the authority of the Government and does not recognize different platforms’ business models. It also imposes burdensome obligations and liabilities on businesses, such as local representatives with unlimited liability, reporting requirements, and broad authority for ETDA to further prescribe any additional requirement in the future. The Royal Decree sets out a requirement for each operator to have a Code of Conduct which includes users’ and advertisers’ merchant ID verification, but has failed to provide further details, creating uncertainty. Industry reports the Government is considering making verification mandatory and remains concerned with the proposed regulation’s effect on regulatory certainty.

The Draft Platform Economy Act (PEA), which combines aspects of the EU’s Digital Marketing Act and Digital Services Act, proposes a co-regulator model. This model, while intended to enhance oversight, may inadvertently hinder innovation by creating regulatory ambiguities. Businesses could face challenges navigating the complex regulatory landscape, potentially slowing down technological advancements and digital growth.

¹ See Asia Internet Coalition Statement, Feb. 28, 2019, https://aicasia.org/wp-content/uploads/2019/03/AICStatement_Thailand-Cybersecurity-Law_28-Feb-2019.pdf (“Protecting online security is a top priority, however the Law’s ambiguously defined scope, vague language and lack of safeguards raises serious privacy concerns for both individuals and businesses, especially provisions that allow overreaching authority to search and seize data and electronic

equipment without proper legal oversight. This would give the regime sweeping powers to monitor online traffic in the name of an emergency or as a preventive measure, potentially compromising private and corporate data.”).

² Thailand Passes Controversial Cybersecurity Law, TECHCRUNCH (Feb. 28, 2019), <https://techcrunch.com/2019/02/28/thailand-passes-controversial-cybersecurity-law/>.

³ Id.

Thailand's ambition to become a digital economy hub is a key strategy to accelerate its economic growth, which is currently projected at a modest three percent. The Government aims to boost the digital economy's contribution to GDP, targeting 30 percent by 2030. This vision includes significant investments in digital infrastructure and policies to attract global tech companies. However, the proposed co-regulator model in the PEA could undermine these efforts by creating an environment of uncertainty and complexity for businesses.

To align with Thailand's digital economy goals and foster a more conducive environment for innovation, it is recommended that the PEA adopt a more streamlined regulatory approach. A single, clear regulatory framework would reduce confusion and compliance burdens, encouraging businesses to innovate and invest in Thailand's digital sector. By prioritizing pro-innovation policies, Thailand can better support its national ambitions of inclusive and sustainable development, ensuring that the digital economy becomes a robust driver of economic growth.

Cloud-First Policy and Cross-Border Data Flow

In Recent regulatory developments in Thailand's cloud-first policy do not provide clear guidelines on cross-border data flow for public sector agencies. The data classification policy's language, which states that data "should or preferably be located in Thailand," could lead to over-classification of data by many Government agencies.

The lack of clarity in the cloud-first policy is also inconsistent with the sub-regulations of the Cybersecurity Act recently issued by the National Cybersecurity Agency, which has the sole authority to regulate cybersecurity standard requirements for Government agencies and CII organizations. These sub-regulations specify that only data related to national security must be located within Thailand. The discrepancy between the cloud-first policy and the Cybersecurity Act's sub-regulations could create confusion and

operational inefficiencies for public sector agencies.

To support Thailand's digital economy goals and foster a more conducive environment for innovation, it is recommended that clear and consistent guidelines on data classification, aligned with the Cybersecurity Act, be issued. This would help prevent over-classification of data, reduce regulatory confusion, and ensure that Thailand remains an attractive destination for digital investments and technological advancements.

E-commerce Ban for Alcoholic Beverages

Thailand has implemented a complete ban on the sale of alcoholic beverages through electronic channels and online platforms. This measure, introduced in 2020, cuts off a potentially significant and modern route to market.

The ban restricts market access and disproportionately harms premium wines and spirits brands that once could rely on online channels to reach a wider consumer base, both those beyond major urban centers and the newer generation that are more digitally present. It limits the ability of international alcoholic beverage producers to enter and compete in the Thai market against the established local brands.

Banning legitimate, regulated e-commerce channels also risks pushing sales towards unregulated grey markets (e.g., social media messaging apps and illegal web portals) where there are no effective age verification controls. Regulated e-commerce platforms can implement more robust age verification systems than many physical retail points.

Other markets regulate e-commerce through voluntary Codes of Conduct. The key principles in the Code of Conduct involve online age verification, mandatory ID checks upon delivery, training for delivery drivers to prevent sales to underage or intoxicated individuals and implement tracking and tracing systems to monitor the delivery process.

Government Procurement

Under the current national government procurement regulations in the pharmaceutical sector, preferential treatment is granted to state-owned pharmaceutical enterprises. These enterprises, particularly the Government Pharmaceutical Organization (GPO), benefit from privileges not available to privately-owned domestic or foreign companies, including OECD pharmaceutical firms. Specifically, the regulations require hospitals to purchase medicines exclusively from the GPO if the organization produces the relevant drugs—even when GPO's prices are higher than those offered by other bidders. This practice distorts market mechanisms within the public healthcare and pharmaceutical sectors. We therefore propose that all forms of preferential treatment for state-owned or national pharmaceutical companies be eliminated. This would foster a level playing field, ensuring fair treatment and open competition for all market participants, including SOEs. To achieve this, legislation governing procurement, regulatory frameworks, and trade competition law must be reviewed and liberalized to allow competition on equal terms. In this context, Thailand should consider acceding to the WTO Government Procurement Agreement (GPA).

Therefore, any preferential treatment for state-owned pharmaceutical companies or national companies should be eliminated. This will encourage a level playing field with fair treatment and open competition rules for all participants including SOEs to engender effective market mechanisms. It is essential that legislation, in procurement, regulatory frameworks, and Trade Competition Law, must be reviewed for further liberalization to allow competition on an equal basis.

In this case, Thailand should consider accession to the Government Procurement Agreement (GPA) under the WTO framework. This will enhance trade liberalization in the state sector under a clear system of rule-based governance, enhanced transparency and rigorous accountability providing for strong

market competition and fairer trading conditions.

Countering Illicit Trade

Illicit trade—the illegal production, movement, and sale of goods and services—is a growing global problem that distorts markets, harms consumers, and presents a serious governance challenge that transcends borders and sectors. Illicit trade covers a wide variety of problematic activities including counterfeit goods and cultural artefacts, smuggling, wildlife trafficking and illegal logging that These operations exploit global supply chains and trade infrastructure to undermine public safety, weaken institutions, erode the rule of law and reducing tax revenues.

Thailand should work closely with the OECD, with OECD member states and with the private sector to combat illicit trade, taking steps to map illicit trade risks, strengthen enforcement, and design policies that ensure the integrity of global trade.

Foreign Investment Regulations and Ownership Caps

Overview

A key principle of the OECD is the creation of a transparent and predictable regulatory environment to attract and retain investment.

Open, transparent and non-discriminatory investment policies and agreements, ensuring a predictable and fair treatment of investors and protecting investors against arbitrary behavior of host states or a possible bias of local courts, are essential for business and for countries to stimulate inward investment. International Investment Agreements (IIAs) such as Bilateral investment Treaties (BITs) are essential in that regard as they oblige state parties to these agreements to apply to foreign investors the same basic principles that apply to their own companies.

Bank Licensing

Thailand has an opportunity to improve the banking sector environment through eliminating discriminatory treatment and making improvements toward the ease of doing business. Banks are limited in the number of licenses for bank branches and subsidiaries. In practice, discretion by the Bank of Thailand means little access for foreign banks. For example, foreign banks typically must acquire an existing bank to participate in the market and is limited to 25 percent ownership. The Bank of Thailand has discretion to raise the equity participation by the foreign bank. Steps that Thai authorities should consider in the banking sector to improve the business climate include the elimination of wet signatures in order to enable end to end digital client onboarding and permitting bank branches to use sales outlets under fully owned subsidiaries and partner sales outlets to be used as data collection points for account opening. Taking these steps recognizes the changes in the ways banks serve their customers and clients to meet their personal and business financial goals.

Thailand Payment Systems Act

Thailand requires in-country processing of all domestic retail electronic payment transactions for debit cards issued in Thailand. This requirement is contrary to OECD's Recommendation on the Protection of Privacy and Transborder Flows of Personal Data, which emphasizes the importance of protecting personal data while facilitating its flow across borders. In particular, payment flows are considered as non-personal data within the OECD's Data Free Flow with Trust program.

Given these restrictions, foreign electronic payment service suppliers are precluded from supplying these services across borders and must establish a local presence and build processing facilities in Thailand. Although updated regulations have allowed electronic payment service suppliers to outsource processing, the understanding is that local presence and on-soil processing are still required. When a card is accepted on more than one network, at least one of those networks must be a domestic debit card

network. Under the 2016 Thai Bank Chip Card Standard, the Bank of Thailand requires financial institutions that issue debit cards, to issue cards with local-standard chips.

Recently the National Cyber Security Committee (NCSC) announced the implementation of Notification of the National Cyber Security Committee (NCSC) Re: Cybersecurity Standards for Cloud Systems B.E. 2567 (2024). The regulation covers "Physical and Environmental Security" which includes the data localization requirement for the Cloud Service Customer (CSC). The notification applies to Government agencies and Critical Information Infrastructure (CII) as defined in the Cybersecurity Act B.E. 2562 (2019). As banks and financial sectors are classified as CII, the related organizations will have to comply with the NCSA requirements. This regulation has a risk impact towards global companies' ability to offer products and services to Thai clients that require data to be processed outside of Thailand.

Overall, these regulations impede the full embracement of the OECD's Recommendation on Digital Security Risk Management for Economic and Social Activities, as cybersecurity risks have a cross-border nature, and current national systems may not be resilient enough to counter evolving global risks.

Foreign Investment in Services

The Foreign Business Act (FBA), 1999 is the regulatory framework for foreign investment. It limits the right of foreigners to do business on a sectoral basis. The activities restricted to foreign investment ('foreign' as defined in the FBA) are set out in 3 lists:

- List 1 includes telecommunications and media, agriculture, livestock and fisheries.
- List 2 prohibits those affecting national security, culture or tradition, except with permission from the Ministry of Commerce, supported by resolution of the Council of Ministers.
- List 3 includes activities in which Thai companies say they are not able to compete with foreign companies.

They require authorization from the Department of Business Development (DBD), an agency under the Ministry of Commerce. It is difficult for DBD to give approval, so it is common practice to partner with local partners and for 51% of the capital to be held by Thai partners.

Foreign companies in prohibited sectors are excluded or face an uncertain process for setting up in the country, as the process of applying for permits and exemptions is slow and cumbersome, often requiring the intervention of lawyers and other specialized intermediaries. Permits are granted only for specific projects, which hampers companies' long-term strategies. This, coupled with second and third layers of regulation, results in foreign companies ultimately deciding to set up with a local partner with high capacity and influence, even if that was not their first choice. Or they give up working in Thailand. Local partners exploit these advantages. Their dominant position in the market, in which they are often oligopolists, is thus strengthened with the help of the foreign partner.

Foreign Business Act

Restrictions on entering the Thai market under the Foreign Business Act B.E. 2542 (1999) remain one of the main obstacles for foreign investors and companies seeking to establish or operate a business in Thailand. Government should work towards an ease of this regulation in order to put Thailand on the right path for the next stage of economic development.

This Act is especially very severe in the engineering industry. To counter this, regulations such as Foreign Business Act (Engineering is stated in No.9 of Type of Business List 3 (21 business) should be reviewed.

Ease conditions of Foreign Business Act.

1. The only industries in which majority subsidiary of foreign company can be trading and manufacturing. Service and other businesses cannot be established unless foreign capital is less than 50%.

2. The subsidiary of foreign company is required to hire 4 Thai people to issue work permit for one foreigner employee. The capital amount of THB 2,000,000 is also required for one foreigner employee.

Transparency and openness of decision-making on trade and investment policies and practices

Thailand's decision-making process lacks openness and transparency. While a public consultation process is in place, most government agencies use preferred inputs, cited as 'public opinion'. A more robust process could be delivered by ensuring affected business operators are able to have more meaningful involvement.

Thailand previously enacted a Notification outlining requirements for labelling and warning messages in 2015, which was notified to the WTO's Committee on Technical Barriers to Trade (TBT) under G/TBT/N/THA/ 437. Member States raised concerns and sought various clarifications. While Thailand implemented the notification in 2015, clarifications were not provided by the Office of Alcoholic Beverage Control to address questions raised by OECD Members Countries. In the absence of clarifications requested at the WTO's TBT Committee, companies have been operating in limbo since 2015.

Regulation and Standards

Health

Advancing Self-Care Policy: Enhancing Access to Preventive Healthcare Solutions

Self-care – defined by the World Health Organization as “the ability of individuals, families and communities to promote health, prevent disease, maintain health, and cope with illness and disability with or without the support of a health worker” – is a powerful tool in supporting universal health coverage and improving public health outcomes.⁴

Advancing self-care policies is in direct alignment with the OECD's focus on improving public health outcomes through prevention, self-management, and the empowerment of individuals to take control of their health. This policy approach contributes to a more sustainable healthcare system, improving health equity by providing individuals with the tools they need to manage their health more independently. It also supports the OECD's goals of health system resilience, cost-effectiveness, and enhanced health outcomes.

The Thai government should take several steps to promote self-care solutions, including steps to:

Promote regulatory changes designed to accelerate and increase consumer access to self-care solutions, including steps to improve the availability of safe, effective OTC health products and services that support consumer health decisions. Such steps could include reclassifying specific consumer health products as “household remedies” under the Thai FDA's general sales list (GSL) category to allow them to be sold outside of pharmacies.

Promote strong cooperation and collaboration to enhance effective cessation policies and expand access to NRT products,

in line with the World Health Organization's MPOWER measures.

Advocate for the development of economic policies and regulatory frameworks that encourage innovative self-care encourage innovative self-care solutions that support sustainable healthcare systems, ensuring these solutions are safe, effective, and accessible to the public.

Support educational and public awareness initiatives that empower consumers to make informed health decisions, enabling them to manage their health proactively.

Regulatory Barriers for Electronic Payments

Use of Internationally Harmonized Measures

Thailand continues to apply a series of draconian and obsolete alcohol control regulations, and these impose excessive burdens on both consumers and businesses, undermining both fair competition in the Thai market and innovation opportunities. This drives a series of negative impacts on both tourism and Thailand's hospitality sector, while lawbreaking and corruption continue to increase.

Thailand should be encouraged to revisit, revise and revoke the alcohol control measures outlined below to ensure a balance between economic and social objectives by applying the regulatory guillotine method, regulatory impact assessments and an internationally recognized regulatory approach. The Thai government should work in partnership with the private sector to promote education on the responsible serving and consumption of alcohol.

- Advertising regulation should aim to prevent exaggerated advertising that promotes increasing consumption or encourages underage drinking, rather than imposing a complete ban on advertising.

⁴ See Global Self-Care Federation, “Economic & Social Value of Self-Care Report” (2022) as well as Global Self-Care Federation, “Self-Care Readiness Index” (2021).

- Labelling regulation should focus on protecting consumer rights to access accurate and adequate information to support purchasing decisions and prevent exaggerated claims. In principle, Thailand views that any labelling requirements applied to alcoholic beverages shall not encourage its consumption. This stance has led to constant reviews and new proposals on disruptive labelling requirements including graphic health warning labels proposals (in 2015 and 2024) that was only adopted by tobacco products. There are currently new proposals regarding health labelling for alcohol products in development, and this constantly changing regulatory environment undermines confidence in trade.
- The e-commerce ban should be revised by identifying appropriate control systems e.g. an age verification mechanism that both supports government policy intentions while supporting a global consumer's digital lifestyle that doesn't undermine modern retail activities.
- Retail restrictions that prevent sales between 14.00-17.00 and 00.00-11.00 should be revoked to allow greater flexibility and facilitate a more holistic policy approach to public health and the economy, especially for the tourism and hospitality sectors.

Pricing Controls

The regulation also gives authority to the regulator to broadly determine pricing and fees, including determining network membership fees.

The issue of price controls on innovative medicines in the pharmaceutical industry presents a complex challenge, characterized by multiple layers of regulation that lack a coherent and systematic approach. This opacity makes it

exceedingly difficult for stakeholders to predict timelines and understand the processes involved with clarity and precision. The current situation stems from a web of inappropriate laws, regulations, and policies, with price controls being a predominant factor that undermines the country's competitiveness, attractiveness to investment, and potential for innovation and growth.

To address this issue, it is crucial to dismantle barriers to fair competition, ensuring a level playing

field in both public procurement and the private marketplace. This necessitates the urgent repeal of inappropriate legislation, clearing the way for the innovative medicines market to operate under clear and consistent evaluation criteria. Establishing an official communication channel for evaluation is imperative, and it must adhere to the general principles of transparency, accountability, and reliability to foster trust and clarity. Moreover, the reimbursement policies for innovative medicines should be reformed to align with clinical needs and adhere to international clinical practice guidelines. This approach ensures that pricing and reimbursement decisions are made based on the value and efficacy of the medicines, rather than being dictated by rigid and outdated price control mechanisms. By implementing these recommendations, an environment can be created to encourage innovation, attract investment, and ultimately leads to better healthcare outcomes.

Moreover, Thailand's Quota Tariff Rate (QTR) obligations on dairy ingredient imports present a significant barrier to trade and investment. In coordination with the EU-ASEAN Business Council and based on the March 2023 report titled *"Critical Requirement For MFN Tariff Revisions To Support The Thai Dairy Industry,"* the business community recommends the following reforms:

- **Elimination of QTR Obligations:**

Thailand should urgently remove QTR-related trade barriers and align its practices with those of Australia and New Zealand under the Thailand-Australia Free Trade Agreement (TAFTA) and the Thailand-New

Zealand Common Economic Partnership Agreement (TNZCEPA).

- **Early Harvest Tariff Reductions:**

Priority dairy ingredients should benefit from early tariff reductions that match or closely approximate rates under TAFTA, TNZCEPA, and the ASEAN-Australia New Zealand Free Trade Agreement (AANZFTA). These include:

1. Skimmed Milk Powder (SMP) - HSC 0402.10.41
2. Whole Milk Powder (WMP) - HSC 0402.21.20
3. Butter Milk Powder (BMP) - HSC 0403.90.10
4. Whey - HSC 0404.10.10
5. Anhydrous Milk Fat (AMF) - HSC 0405.90.10

Thailand's QTR system imposes substantial costs on MFN-rated imports, including mandatory purchases of domestically produced raw milk (RM) to access reduced tariff rates. In 2022, RM prices were set at THB 20.5/kg, with 55,000 MT allocated to SMP imports. This results in an additional cost of approximately USD 6,067 per ton of SMP.

Quota allocations are negotiated annually and lack transparency, creating planning challenges and discouraging investment. Refunds on import tariffs can take up to seven months, requiring high cash reserves and undermining Thailand's competitiveness as a regional production hub.

The QTR mechanism functions as an indirect tax, exacerbated by declining domestic RM production and quality concerns. The allocation of 30% of RM to the National School Milk Programme further limits supply. These factors collectively deter producers from

maintaining or expanding operations in Thailand.

A comprehensive reform of QTR mechanisms is essential to enhance Thailand's trade competitiveness, attract investment, and support the long-term sustainability of its dairy industry.⁵

Use of Internationally Harmonized Measure for the Pharmaceutical Industry

The alignment of Thailand's standards with international norms remains a critical issue and mirrors challenges seen across many economies. Discrepancies are particularly evident in sectors such as automotive, health, and alcoholic beverages. Future trade agreements should be used as a platform to encourage Thailand to harmonize its standards with globally recognised norms and to accept established international standards for imported products, thereby avoiding duplicative testing requirements. Such agreements should also accelerate approval processes for updating or introducing new standards through enhanced bilateral cooperation on Technical Barriers to Trade (TBT), food safety, and Sanitary and Phytosanitary (SPS) measures.

In the automotive sector, negotiations should aim to promote the adoption of UN ECE standards and eliminate unnecessary testing obligations. Broader harmonization efforts, including mechanisms similar to those used within regional groupings, and the establishment of mutual recognition procedures would significantly strengthen health security, support the pharmaceutical industry, and contribute to a more resilient health system.

The creation of joint working groups would further support regulatory cooperation and knowledge exchange, bolstering technical collaboration, sustainable investment, and long-term improvements in the regulatory

⁵ Source: 'Critical Requirement For MFN Tariff Revisions To Support The Thai Dairy Industry', Section 2 -THAILAND'S SUPPLY IMBALANCE' (EUABC and Landmark Public Affairs, March 2023)

environment. Such groups could serve as practical platforms for implementing concrete action plans, fostering innovation, and supporting inclusive and competitive regulatory frameworks.

In addition, exploring opportunities for cooperation on the implementation of an electronic Common Technical Document (eCTD) system with Asian partners could streamline regulatory submissions and improve consistency in the assessment of pharmaceutical products. This would represent an important step toward simplifying administrative procedures and promoting a more efficient environment for trade, innovation, and regulatory convergence.

Regulatory Impact Assessment

Lack of Regulatory Impact Assessment (RIA) or suitable stakeholders' consultation to support the need of a law issuance nor if the law will create unnecessary burdens to people and businesses regardless this is mandatory requirement prescribed by Section 77 of Constitution of The Kingdom of Thailand and Section 12 of Rules on Legislative Drafting and Evaluation of The Outcomes of Law Act B.E. 2562 (2019)⁶

Put in place the holistic Regulatory Impact Assessment (RIA) procedure, in comprehensive and systematic manner while have it implemented for every law level. This includes but not limited to:

- Disclose the results of the stakeholders' consultation, public hearing and RIA to the public and take such results into consideration at every legislative process stage.
- Undertake an evaluation of effectiveness of the law at every specified period of time.

⁶ Reference Section 12 "When it is necessary for the enactment of a law, a State agency shall demonstrate rationale and necessity of the enactment of the law and shall conduct an analysis by taking into account information and evidence clearly indicating that it will not

Consider and take into account of "STO's Regulatory Guillotine Assessment Report" and recommendations of "Ease of Doing Business Committee", agencies under Office of the Prime Minister of Thailand, to repeal or revise the laws which are no longer necessary or unsuitable to the circumstances, or are obstacles to livelihoods or engagement in occupations, without delay, so as to abstain from the imposition of burdens upon the public while moving Thailand forward to the region hub of trade and investment as well as tourism.

Thailand should fully implement the OECD Better Regulation principles. New laws should be introduced only when necessary, following thorough stakeholder consultation and impact assessments. Legislation must be clear, practical, and designed to prevent discretionary enforcement, which is a root cause of corruption and bribery.

impose unnecessary burden upon the people; that it will be worth the burden imposed upon the State and the people; and that no other measure or method than the legislative measure could be deployed."

Public Governance and Bureaucratic Hurdles

Integrity and Anti-Corruption

Corruption is a major threat to fair trade. The corruption situation in Thailand has become worse and complex though the Government strives to put in place the legal framework and institutions to tackling it and to uplifting its governance and transparency. Public and businesses perceive corruptions, either political or bureaucratic corruptions, could be found in most sectors and activities, and in several forms including but not limited to facilitation money, bribery, conflict of interest, money laundering, fraud, etc.

Transparency International (TI) disclosed the 2023 Corruption Perceptions Index (CPI) indicating that Thailand was ranked at 108th place out of 180 countries and ranked at 4th place among ASEAN countries with a score of 35. Comparing to 2022, Thailand was ranked at 101st place with a score of 36. This shows a lack of improvement in anti-corruption and transparency agenda which diminishes investors' confidence in government and the country's attractiveness for FDI and trade opportunity while undermines rule of law and economic development.

- The fact that Thailand has already made progress in establishing standards and regulatory framework concerning anti-corruption and public integrity, the government shall have such laws and standards enforced consistently, so as to penalties to corrupted officials and corrupted politicians in order to enhance transparency and integrity of the government.
- Invest in Artificial intelligence (AI) as anti-corruption solution tool, from prevention, detecting and tracing any misconduct nor irregularities and conflicts of interest.

- Repeal and revise the obscure laws or unnecessary approval procedures that may arise an opportunity for officials to use individual discretion or requesting for facilitation money or bribery.

Employment, Labour and Social Affairs

The TM30 regulation, which mandates property owners to report the residence of foreign nationals within 24 hours, is inconsistently applied and poorly understood. This hampers visa processes and increases administrative burdens. The government should abolish or significantly simplify TM30 to reflect practical realities and reduce compliance costs for businesses and expatriates.

Responsible Business Conduct

Thailand is not currently an adherent to the OECD MNE Guidelines. Business would encourage Thailand to adhere to the Guidelines as the foundation for any RBC approach.

Thailand is in the process of developing mandatory Human Rights Due Diligence legislation. While legislation is a sovereign decision, business encourages Thailand to ensure any regulatory proposals are:

- realistic, implementable, and evidence-based;
- aligned and rooted in the UNGPs and the OECD MNE Guidelines, while being mindful they were designed as voluntary;
- mindful of the risk that overly far-reaching expectations could discourage business engagement, especially if minimum assurances under the State duty to protect human rights are not provided.

Countries should identify constraints they face by region and level of development and take measures to both improve competitiveness

and protect businesses, citizens, communities, and ecosystems. The OECD could have a more prominent role in supporting governments, by researching the challenges they face in implementing RBC and by helping local companies understand RBC expectations in a practical and cost-effective way. When consulting business, governments should involve representative employers' and industry organizations to ensure balanced and informed engagement.

Intellectual Property

Effective enforcement of intellectual property (IP) law is essential to safeguarding IP rights and ensuring fair competition. While Thai authorities regularly engage in ad-hoc consultations with international businesses, the availability of IP-infringing goods has continued to grow, particularly through online platforms and e-commerce channels. Easy access to counterfeit and illicit products undermines legitimate operators, erodes brand value, and weakens the protection afforded to IP rightsholders. In certain sectors—such as tobacco—enforcement efforts have not been sufficient to curb illicit and counterfeit trade.

To strengthen IP protection, more robust and systematic enforcement measures are needed. Establishing a permanent, structured consultation mechanism on IP or IP enforcement under a future trade agreement would be a significant improvement over ad-hoc exchanges. Such a mechanism could support capacity-building, promote best-practice sharing, and enhance coordination between authorities and rights-holders.

Separately, recent proposals to revoke the requirement for sole distribution agreements for imported alcohol products risk creating unintended negative consequences. Removing this framework could weaken the protection of legitimate importers and distributors, encourage parallel trade, and jeopardize long-term investments made in brand development, workforce training, and distribution infrastructure. It also risks generating market instability, including increased price wars and unfair trading practices, as well as greater exposure to lower-quality or non-compliant products.

Maintaining clear and enforceable distribution rights for imported alcohol products is therefore important to protect legitimate businesses, support high product standards, and help prevent illicit trade.

Agricultural Innovation and Geographical Indications

Thailand's agricultural sector faces increasing challenges due to evolving pests, diseases, climate variability, and shifting consumer needs. To maintain productivity and sustainability, farmers require access to new plant varieties with enhanced traits such as pest resistance, drought tolerance, and adaptability to environmental stress. Strong intellectual property (IP) protection is essential to incentivize breeding and research efforts that support food security, environmental stewardship, and economic resilience.

To this end, the Thai government is encouraged to consider accession to the **UPOV Convention (Act of 1991)**, recognized as the international benchmark for plant variety protection. Implementing UPOV 1991 provisions, alongside a robust patent protection system, would support innovation in agricultural science and enable breeders to introduce improved varieties to Thai farmers. This would enhance the sector's ability to respond to environmental and economic pressures while ensuring equitable access to seeds and technologies.

Thailand has made commendable progress in promoting geographical indications (GIs), particularly through the efforts of the Department of Intellectual Property (DIP). However, several gaps remain in the legal framework that must be addressed to ensure full compliance with WTO TRIPS obligations:

- **Incomplete Implementation of Article 22(2):** The Thai Geographical Indications Act B.E.2546 (2003) and its associated Ministerial Regulation B.E.2547 (2004) do not fully prevent indirect misuse of GIs. Current provisions protect registered GIs but fail to prohibit suggestive use of origin-related symbols, names, or imagery (e.g., shamrocks or harps implying Irish origin or kilts, bagpipes and tartan-inspired colours implying Scottish origin).

- **Partial Implementation of Article 23:**

While Thailand has adopted protections for wine and spirit GIs, the prohibition on translated GIs is not included in the current legislation.

- **Ambiguity in Homonymous GI Use:**

Section 29 of the Act lacks clarity regarding the conditions under which homonymous GIs may be used, particularly in relation to prior use before April 15, 1994.

- **Trademark Act Alignment:**

Strengthening the Trademark Act to prevent registration of trademarks containing GI names would further reinforce GI protection.

Future trade agreements should help address these issues by:

- Supporting full alignment of Thailand's GI framework with international standards;
- Encouraging mutual recognition of protected GIs through a structured and expandable list;
- Ensuring that key GIs of interest to trading partners are covered, with provisions allowing for future additions.

Intellectual Property Rights and Enforcement

Thailand's intellectual property (IP) framework faces several structural and procedural challenges that hinder effective protection and enforcement. To foster innovation, attract investment, and align with international standards, the following reforms are recommended:

- **Copyright Enforcement Burdens:**

Enforcement of copyright infringement currently requires extensive documentation, such as certificates of registration or detailed affidavits for each SKU. This is

impractical for companies with large product portfolios and unpredictable infringement patterns.

- **Border Enforcement Gaps:**

Thailand's customs recordal system applies only to trademarked goods, leaving copyrighted products without a mechanism for border seizure. This limits enforcement capacity and undermines IP protection.

- **Liability for Intermediaries:**

Thailand's IP laws lack provisions for vicarious or secondary liability or contributory infringement. As a result, online services platforms, marketplaces, and property lessors facilitating counterfeit sales and availability of infringing online and physical content are not held accountable. While tort law includes vicarious and secondary liability principles, they are unclear in application. IP-specific provisions and further improvements to the intermediary liability framework are urgently needed to ensure effective enforcement, including clear requirements for intermediaries to take down infringing content on notification and ensure that it is not re-uploaded. In implementing this, it should be made clear that user-upload content (UUC) services that store and make available users' uploaded content are not mere intermediaries but subject to primary liability rules (as established across OECD countries).

- **Third Party Injunctions:**

While third party injunctions are available, the current process is ineffective. There should be a rationalisation of the process so that orders can be carried out by the MDES, as well as stricter enforcement of the penalty provision.

- **Technological measures:**

While the law contains provisions that prevent the circumvention of technological measures that are applied to protect the copyright in digital works, the law has deviated from international norms as it allows only the owner of the circumvention measure to activate the provision. The overwhelming reality and international practice for this type of provision is that technological measures are applied to a copyright work for the benefit of the copyright owner, and it is the copyright owner who has the right to bring an action for the circumvention of these technological measures. Thailand must clarify its law on technological measures to allow a copyright owner to bring such an action in situations where technological measures were applied on its behalf.

- **Patent and Trademark Registration Delays:**

The average patent approval time in Thailand is 12.6 years. Trademark applications under the Madrid System face frequent objections due to limited examiner expertise and inconsistent interpretation of basic concepts such as “distinctiveness.” These delays discourage foreign applicants and hinder market access.

To address these issues, the following measures are proposed:

- **Patent Term Restoration:**

Introduce a mechanism to restore patent terms lost due to administrative delays, ensuring fair treatment for patent holders and supporting incremental innovation.

- **Regulatory Data Protection (RDP):**

Establish a system of data exclusivity to prevent unauthorized use of proprietary data by third parties. This would incentivize investment and align with WTO TRIPS principles,

particularly in pharmaceuticals and agriculture.

- **Patent Linkage System:**

Develop a governance framework linking IP authorities with pharmaceutical marketing authorization bodies. This would prevent inadvertent infringements and reduce litigation risks through early dispute resolution.

- **Streamlined Regulatory System:**

Improve the efficiency and transparency of patent registration, including opposition procedures and conditional flexibilities. Enhancing the approval process will promote indigenous innovation, international collaboration, and technology transfer.

- **Alignment of the Copyright Framework with International Standards:**

Align the Thai Copyright Act with WPPT to meet its obligation to accede the treaty by 2026. Extend the term of protection of performers and phonogram producers to 70 years. Bring the collective rights management framework up to international standards (e.g., the 2014 EU Collective Rights Management Directive). Clarify its law on technological measures to allow the copyright owner to take action.

These reforms are essential to building a robust IP environment in Thailand, reducing counterfeit trade, and positioning the country as a competitive hub for innovation and investment.

Environment, Energy and Climate Change

Chemicals

Thailand is engaging in a multi-agency process to review regulations and mechanisms for chemical management, with a focus on hazardous waste control because of recent safety incidents linked to storage. Toward that end, Thailand is exploring adoption of a new list of regulated chemicals and per- and polyfluoroalkyl substances (PFAS) listed on the Stockholm Convention. Businesses support the broader ASEAN Cosmetics Directive and its critical work to harmonize domestic cosmetics regulations and labelling rules across the bloc, but some businesses have raised concerns about Thailand's adoption of the directive's annexes on restricted and hazardous chemicals where those lists deviate from the Stockholm Convention. U. For example, as Thailand adopts the hazardous chemical control list from the international convention, it must undertake a full risk-based review, follow a concrete CBI process, and allow for an exemption for items with proven safety records such as cosmetics and personal care products, among others. This is of concern to US industry because potential customers will not use raw materials containing listed chemicals and no exemption. Active engagement in the OECD Chemicals program will be of mutual benefit.

Environment

The Thai government, led by the Ministry of Natural Resources and Environment, is in the process of developing a new Sustainable Packaging Management Act, which aims to introduce Extended Producer Responsibility (EPR) for packaging by 2027 in alignment with requirements from key trading partners such as the European Union. The Thailand Institute of Packaging and Recycling Management for Environment (TIPMSE), the primary organization driving EPR mechanisms in Thailand, is working with various sectors to address this challenge with efforts underway

to look at drafting legal language, modeling tax incentives, developing infrastructure, promoting eco-design, managing data, improving communication, and fostering cross-sector cooperation. These efforts demonstrate Thailand's commitment to global sustainability practices, meeting the OECD's emphasis on circular economy principles and fostering sustainable trade partnerships.

Thailand can advance these efforts in multiple ways, including:

- Ensuring that comprehensive EPR legislation defines clear roles and responsibilities across stakeholders, includes incentives and infrastructure development programs to facilitate the transition to EPR compliance, and aligns with OECD partner country approaches to facilitate compliance.
- Working with partners at all levels of government to establish systems for household waste sorting and improve collection infrastructure that will be necessary to ensure effective EPR implementation.
- Promote public awareness campaigns to educate consumers on the importance of waste segregation and recycling as part of the EPR system.
- Collaborate with stakeholders to design and implement public education and readiness initiatives across the value chain, including businesses, consumers, and local governments.
- Create a clear, unified platform on implementation to ensure clear, consistent and effective implementation of the pending Sustainable Packaging Management Act. The platform should serve as the authoritative source of information regarding the law's provisions, objectives, and implementation guidance, thus minimizing confusion and fostering a clear understanding of the EPR law among all stakeholders,

including producers, consumers, and relevant government agencies. Such a platform should be launched and overseen by a single designated government body to ensure a cohesive message and avoid duplication.

Use of Internationally Harmonized Measures

Existing policies, regulations, and standards should be reviewed to ensure the use of internationally harmonized measures on climate and green transition. Attention should be paid to OECD standards, such as the MNE Guidelines and Corporate Governance Principles, each country's context (availability

of natural resources, structure of energy generation and industries, risk of disasters such as earthquakes, etc.), and transition planning of high-emission sectors.

In this regard, developing and implementing effective blended finance schemes could be beneficial. Blended finance is an innovative risk-sharing mechanism between private and public financial institutions that could mitigate a vast risk to a bankable risk, such as addressing climate challenges or accelerating the green transition. It is gaining more attention these days as one of the key promising solutions for emerging countries like Thailand.

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