

**Telecommunications Business Act (No.2), B.E. 2549 (2006)**

**Translation**

BHUMIBOL ADULYADEJ, REX;  
Given on the 9th Day of January B.E. 2549;  
Being the 61st Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that;  
Whereas it is expedient to amend the law on the telecommunications business;  
Whereas this Act contains certain provisions regarding the restriction of the rights and freedom of an individual as permitted to be done under the law by Article 29 together with Article 50 of the Constitution of the Kingdom of Thailand;  
Be it, therefore, enacted by the King, by and with the advice and consent of the National Assembly, as follows:

**Section 1**

This Act is called the "Telecommunications Business Act (No.2), B.E. 2549 (2006)."

**Section 2**

This Act shall come into force as from the day following the date of its publication in the Government Gazette.

**Section 3**

Section 8 paragraph three (1) of the Telecommunications Business Act B.E. 2544 (2001) shall be repealed and replaced by the following:

"(1) the applicant for Type Two and Type Three licenses shall not be a foreigner under the law on foreign business. In this regard, the Commission may prescribe the prohibition that the applicant for certain nature or categories of telecommunications business who is a juristic person shall not commit any act which has the nature of business takeover by a person who is not of Thai nationality;"

**Section 4**

Section 58 paragraph one of the Telecommunications Business Act B.E. 2544 (2001) shall be repealed and replaced by the following:

"The licensee shall not collect deposit or any other payment of the deposit nature. The collection of pre-paid service charge shall be in accordance with the criteria or conditions prescribed by the Commission for the benefit of consumer protection or the public interest."

**Section 5**

The following shall be added as Section 80/1 of the Telecommunications Business Act B.E. 2544 (2001).

"Section 80/1

For the benefit of the operations under Section 79 and Section 80, the Communications Authority of Thailand or the Telephone Organization of Thailand shall mean the companies established by converting the capital of the Communications Authority of Thailand or the Telephone Organization of Thailand into equity shares of the respective companies under the state enterprise corporatization law in order to operate the telecommunications business.”

Countersigned by

Police Lieutenant Colonel Thaksin Shinawatra

Prime Minister

**Remark:** There are a number of reasons for the promulgation of this Act. As certain nature or categories of telecommunications business are capital intensive and rely on high technology, dependence on foreign capital and technology is still necessary. The prescription of the qualification of the applicant for Type Two and Type Three licenses to have the shareholding proportion of Thai nationals of not less than seventy-five percent of the total capital has caused problems and hindrance to fund mobilization from foreign investors, or in case of joint venture with foreign parties, the mentioned foreign shareholding limit has posed a constraint.

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