

# WORLD TRADE ORGANIZATION

RESTRICTED

**G/SCM/Q2/THA/2**

3 October 1996

(96-3986)

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**Committee on Subsidies and Countervailing Measures**

Original: English

## SUBSIDIES

### Questions from CANADA Regarding the New and Full Notification of THAILAND<sup>1</sup>

The following communication, dated 20 September 1996, has been received from the Permanent Mission of Canada.

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1. Could the Government of Thailand provide some information on the amount of subsidy for each of the refinancing programmes? While the BOT purchases promissory notes, the benefit is provided through the interest rates charged. The amount of subsidy is the difference between the interest rate under normal commercial conditions and the interest rate offered as a result of the refinancing schemes.
  2. The Industrial Credit Refinancing Scheme for medium and large scale industries specifies that the manufacturer must not have total assets exceeding B 200 million. Qualification for the small scale industry scheme is set at no more than B 20 million. Could a small scale industry qualify for assistance under both programmes?
  3. Regarding the Investment Incentive Scheme:
    - (a) Would the Government of Thailand clarify whether the benefits of the programme are automatic upon qualification or whether applicants would then negotiate the benefits.
    - (b) If the benefits differ with each applicant,
      - (i) Would the Government of Thailand provide further information on the relative importance of each of the major fiscal incentives granted.
      - (ii) How many companies benefit from more than one incentive?
    - (c) What are the sales of companies benefiting from corporate income tax exemption and reduction?

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<sup>1</sup>G/SCM/N/3/THA