

Translation*

ACT
AUTHORISING ACTIONS RELATING TO THE COMMON FUND FOR COMMODITIES
B.E. 2535 (1992)

BHUMIBOL ADULYADEJ, REX.,
Given on the 19th Day of February B.E. 2535 (1992)
Being the 47th Year of the Present Reign.

His Majesty King Bhumibol Adulyadej is graciously pleased to proclaim that:
Whereas it is expedient to have a law to authorise actions relating to the
Common Fund for Commodities;

Be it, therefore, enacted by the King, by and with the advice and consent of the
National Legislative Assembly as follows:

Section 1. This Act is called the “Act Authorising Actions Relating to the
Common Fund for Commodities, B.E. 2535 (1992)”.

Section 2.¹ This Act shall come into force as from the day following the date
of its publication in the Government Gazette.

Section 3. In this Act,

“Agreement of the Common Fund” means the agreement establishing the
Common Fund for Commodities.

“Common Fund” means the Common Fund for Commodities which was
established by the Agreement Establishing the Common Fund for Commodities.

Section 4. The Minister of Finance shall have the authority to issue treasury
promissory notes in a foreign currency to the Common Fund, to fulfill obligations in

* Translated by Nadtara Bott, Treasury Law Section, Financial and Treasury Law Division, Office of
the Council of State.

¹ Published in Government Gazette, Vol. 109, Part 15, page 23, dated 28th February B.E. 2535 (1992).

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FORCE.

accordance with the Agreement of the Common Fund.

The treasury promissory notes issued under paragraph one shall be non-transferable, with no interest and shall be payable upon demand.

Section 5. When the Minister of Finance wishes to issue or issues treasury promissory notes of any amount, the budget shall be allocated at the first possible opportunity once a demand for payment is made in accordance with such treasury promissory notes.

In the case where the budget has not been approved, or the approved budget is insufficient, if it is necessary to make payment in accordance with such treasury promissory notes, the Minister of Finance shall have the authority to make payment from the Treasury Reserves Act.

Section 6. For the benefit of the performance by the Common Fund in Thailand:

(1) The Common Fund shall be deemed to be a juristic person and shall be deemed to be domiciled in Thailand;

(2) The properties and assets of the Common Fund shall have immunities from search, requisition, confiscation, expropriation and any form of execution, except for the cases under (5);

(3) The archives of the Common Fund shall be inviolable;

(4) All properties and assets of the Common Fund shall be free from restrictions, regulations, controls and moratorias of any nature, as is necessary for the performance by the Common Fund, and as is prescribed in the Agreement of the Common Fund;

(5) The Common Fund shall have immunity from any legal process in the performance in accordance with its duties, except for actions which may be brought against the Common Fund:

(a) By lenders of the funds borrowed by the Common Fund, with respect to such funds;

(b) By buyers or holders of securities issued by the Common Fund, with

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respect to such securities, and;

(c) By agents or successors in the interest thereof with respect to the cases under (a) and (b).

Actions in (5) may be brought only before a competent court in a place in which the Common Fund has a prior written agreement with the other party. If there is no such agreement, or where such agreement is not effective for any reason other than the fault of the party bringing a legal action against the Common Fund, such action may be brought before a competent court in the place in which the Common Fund has its headquarters or representative offices, and before the court passes a final judgement against the Common Fund, the properties and assets of the Common Fund, wherever situated, and in whoever's possession, shall have immunities from any form of searching, taking, foreclosure, seizure, attachment, or any other preventative provisional measures before judgement.

Section 7. The performance under the objectives of the Common Fund, its properties, assets, income, operations, and the conduct of business of the Common Fund as permitted by the Agreement of the Common Fund shall be exempt from:

(1) Direct taxation;

(2) All customs duties on goods imported or exported for use in the performance under the objectives of the Common Fund, except for tax or customs duties ordinarily levied on commodities which originate from within the Kingdom which are forfeited to the Common Fund.

In the case where goods or services are purchased at a substantial value necessary for use in the performance under the objectives of the Common Fund, and when the price of the goods or services includes taxes or duties, the purchase of such goods or services shall be exempt from taxes or duties, or shall be refunded as is permitted by relevant laws.

Goods imported or purchased under exemption under this section shall not be sold or disposed of within the Kingdom except under conditions otherwise agreed upon.

Section 8. The Governor, Executive Director, Alternate Governor, Alternate Executive Director, members of the consultative committee, Managing Director, and staff

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of the Common Fund, including experts working in the Common Fund shall receive privileges and immunities as follows:

(1) In the performance according to their duties, immunities shall be granted from legal process, except where the Common Fund waives such immunities;

(2) Immunity from restrictions on immigration according to the law on immigration, compliance with alien registration law, and facilitation in the exchange of foreign currencies as is accorded to persons of comparable rank of other international financial institutions to which Thailand is a member. The privileges and immunities in this subsection shall be accorded to persons within the family forming part of the household of such persons;

(3) The same travelling facilities as accorded to persons of comparable rank of other international financial institutions to which Thailand is a member;

(4) Income tax exemption for the part of income received from the Common Fund.

The provisions of (1) (2) (3) and (4) shall not apply to persons in domestic service of the Common Fund, and the provisions of (2) and (4) shall not apply to a person of Thai nationality.

Section 9. The official communication of the Common Fund shall be accorded the same treatment that is accorded to the official communication of other State Members, insofar as is compatible with any International Convention on Telecommunications in force and concluded under the auspices of the International Telecommunications Union to which Thailand is a member.

Section 10.² The Minister of Agriculture and Cooperatives, with the approval of the Council of Ministers shall appoint one Governor and one Alternate Governor to perform in the Governing Council, as is prescribed in the Agreement of the Common Fund.

² Section 10 as amended by the Act Authorising Actions Relating to the Common Fund for Commodities, (No.2) B.E. 2550 (2007)

Section 11.³ The Minister of Finance and the Minister of Agriculture and Cooperatives shall have charge and control of the execution of this Act, in the part which relates to the respective powers and duties of each ministry.

Countersigned by:
Anand Panyarachun,
Prime Minister.

³ Section 11 as amended by the Act Authorising Actions Relating to the Common Fund for Commodities, (No.2) B.E. 2550 (2007)

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REMARKS: The reasons for the promulgation of this Act are that as Thailand has become a member to the Agreement of the Common Fund under the Integrated Programme for Commodities, as established by the fourth session of the United Nations Conference on Trade and Development, and in becoming a member to such Agreement, Thailand must issue promissory notes for the Common Fund in accordance with the obligations of a State member, as well as grant immunities for the performance of work by the Common Fund and accord privileges and immunities to the Common Fund and to persons performing the work of the Fund in Thailand, as such, in order to comply with such Agreement, it is therefore necessary to enact this Act.

Act Authorising Actions Relating to the Common Fund for Commodities, (No.2) B.E. 2550 (2007)

Section 2. This Act shall come into force as from the day following the date of its publication in the Government Gazette.

REMARKS: The reasons for the promulgation of this Act are that currently, the performance by the Common Fund for Commodities is focused on research and development to improve the quality and production of commodities rather than to be a source of capital to support the price of commodities. The activities of the Common Fund therefore mostly now fall within the scope of the powers and duties of the Ministry of Agriculture and Cooperatives. As such, to enable the efficient implementation of the Common Fund, it is appropriate to authorise the Minister of Agriculture and Cooperatives, with the approval of the Council of Ministers, to appoint one Governor and one Alternate Governor to perform in the Governing Council, as is prescribed in the Agreement of the Common Fund, as well as to authorise the Minister of Finance and the Minister of Agriculture and Cooperatives to have charge and control of the execution of this Act. It is therefore necessary to enact this Act.

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