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Legal Update Week 3 - 4 (15 – 28 January 2020)

Highlights: - Several governmental entities signed the MOU to develop "Mobile ID"

- Gasohol E20 will be the primary petrol, while gasohol 91 will phase out
- Funeral expenses payment will be increased to THB 50,000
- CIT exemption for investment in machinery

Thailand legal news

- 17 January 2020:
 - The Office of Trade Competition Commission appointed special working group to closely monitor the acquisition case of Tesco Lotus (to be sold) to prevent monopoly in the domestic retail sector.
 - Mono Technology Public Co., Ltd. (owner of digital TV channel "MONO29") made the significant restructuring plan by terminating approx. 200 employees due to accumulated losses.
- 20 January 2020:
 - The board of the National Broadcasting and Telecommunications Commission ("NBTC"), the Department of Provincial Administration, the Department of Land Transport, and the Social Security Office ("SSO") have mutually signed the MOU concerning the development of identity verification via electronic ID card on mobile phone or "Mobile ID" system for convenience of users. This system was claimed to be fundamental for other governmental e-services.
- 22 January 2020:
 - The director-general of the Department of Labour Protection and Welfare mentioned that labour relation situations of 2019 were not severe. Labour



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petitions and disputes decreased, while strikes and lock-outs slightly increased.

• 24 January 2020:

- The Minister of Energy prepares to phase out gasohol 91 by the middle of this year to make gasohol E20 (containing 80% gasoline and 20% ethanol) the primary petrol of the nation in order to sustain prices of energy crops, e.g. sugarcane and cassava.
- Thailand will revise the laws regarding maximum weight to be carried by underage workers to be in accordance with international standards as requested by the International Labour Organization to eliminate the worst forms of child labour in Thailand. According to the Thai min. reg., maximum weight to be carried by children between the age of 15-18 is set at 20 kg for female and 25 kg for male.

• 25 January 2020:

- The SSO showed its accomplishment to solve 94.48% of all petitions filed in December 2019 (38.62% complaining about company, 19.66% complaining about hospital/clinic). The SSO claims to find solution for petitioners within 7 days for normal cases, and 25 days for complex cases.

• 27 January 2020:

- The NBTC revealed the timeline for 5G spectrum auction as follows:
 - ▶ 4 February 2020: open for tender submission from private companies;
 - ▶ 16 February 2020: hold an auction;
 - End of February 2020: the winner of the auction obtains 5G license.

• 28 January 2020:

- The Confederation of Thai Labour has conferred with the Under-secretary of the Ministry of Labour to increase employee's social security benefits in case of unemployment, termination, resignation. According to the initial conference, this proposal has high chance of success.

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New Cabinet resolutions

21 January 2020:

- Approved Principle: Draft Min. Reg. re: regulations and procedures for refund and security return of anti-dumping and countervailing duties B.E.
 - Change places for refund of duties to "customs or places specified by Thai customs";
 - Add provisions concerning anti-circumvention.

28 January 2020:

- Approved Principle: Draft Min. Reg. re: authorization to produce, import, export, distribute, or possess narcotic drug category 5 (hemp only) B.E.
- Approved Principle: Draft Min. Reg. re: person who intends to render services concerning occupational safety and health (registration, revocation, service fees, license etc.) B.E.
- Approved Principle: Draft Min. Reg. prescribing funeral expenses payment B.E.
 - Increase funeral expenses payment from THB 40,000 to <u>THB 50,000</u> for non-work-related death of an insured person under Section 33 (mandatory) and Section 39 (voluntary) of the Social Security Act;
- Approved Draft: Draft Min. Reg. (No. ..) B.E. issued under the Factory Act B.E. 2535 (2 draft laws):
 - Authorize the Industry Minister to issue an announcement pursuant to the ministerial regulations;
- Approved Draft: Draft announcement of the Ministry of Industry prescribing types and origins of materials to be used in the factories B.E.
 - Restrict any factory under the factory laws from using pieces of electrical and electronic equipment, or scrap (excluding scrap from electric generator) which contains hazardous substance as per the list of hazardous substances B.E. 2556 issued under the Hazardous Substances Act B.E. 2535 as materials in the factories;



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Royal Gazette Update:

Date	Part	Subject
17 January 2020	Ngor Piset	• Regulations of the Trade Competition Commission re: petition and investigation and criminal or administrative proceeding B.E. 2562
		- Provide detailed guidelines on petition, investigation, criminal or administrative proceeding, for the commission and damaged persons under the trade competition laws
		- <u>Effective date</u> : 18 January 2020
		http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/014/T_0002.PDF
20 January 2020	Gor	• Royal Decree reducing Land and Buildings Tax B.E. 2563
		- 50% land and building tax reduction for inherited land
		and buildings, land where an electric power plant is located, other land and buildings in connection with electricity generation;
		- 90% land and building tax reduction for land and
		buildings belonging to financial institutions awaiting sale, land and buildings during development for residential housing, industrial estate, or condominium etc.
		- <u>Effective date</u> : 1 January 2020
		http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/005/T_0005.PDF
	Gor	• Royal Decree issued under the Revenue Code re: tax exemption (No. 690) B.E. 2563
		- Corporate Income Tax exemption for 50% of expenses for investment in machinery paid from 1 September 2019 to 31 May 2020
		- <u>Effective date</u> : 21 January 2020
		http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/005/T_0001.PDF