

Legal Update Week 45 - 46 (2– 15 November 2020)

Thailand legal news

Highlights:

- **2 November 2020:**

- DBD has finalized the draft ministerial regulation on the removal of the 3 businesses from the list of prohibited activities prescribed in the Foreign Business Act. The 3 focused business activities are telecommunications, treasury center activities, software development business.

- **3 November 2020:**

- The government estimated the loss of the suspension of trade benefit for 231 Thai products by the Generalized System of Preferences (GSP), around USD 19 million or THB 600 million. Most affected products are auto parts such as steering wheels, wheels and transmission boxes, plastic glass frames.
- The teacher in Sarasas School was found guilty of abusing and assaulting her kindergarten students and sentenced to 7 months in jail without probation. The parents of children also filed a lawsuit against the teacher and school for other charges including THB 5 million in compensation.

-The draft ministerial regulation on the removal of the 3 lists of business activities

- The acquisition deal between the CP group and Tesco Lotus was approved under soft restricted conditions;

- The Regulation of the President of the Supreme Court re: mediation process before filing the lawsuit B.E. 2563.

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- **5 November 2020:**

- The fuel tariff is reduced to THB 3.57 per unit from January to April 2021 resulting in the lowest rate of power bill in 2 years, announced by The Energy Regulatory Commission (ERC).
- Due to the effect of the Covid-19 pandemic, the number of Foreign Direct Investment (FDI) applications declined by 29% in the first 9 months of 2020. Japan is still the largest investor, with 139 projects worth a total of THB 37.5 billion, followed by China at THB 21.2 billion for 129 projects. The Netherlands also invested in 62 projects worth THB 17.5 billion.

- **6 November 2020:**

- The Trade Competition Commission (TCC) approved the acquisition deal worth USD 10.6 billion between the Charoen Pokphand Group (“CP Group”) and Tesco Lotus business (in Thailand and Malaysia) subject to soft restrictions as follows:
 - CP Group is prohibited from making any modern-trade retailing merger agreements, except for E-commerce, for 3 years;
 - the retail shops of CP Group and Tesco Lotus must expand the proportion of good’s sales from SMEs by at least 10% yearly for 5 years;
 - CP Group is obliged to remain the commercial agreements with existing manufacturers and suppliers for at least 2 years;
 - Both are barred from exchanging any confidential information regarding manufacturers or distributors.
- The proposal to reduce the required quarantine period from 14 to 10 days submitted to the Centre for Covid-19 Situation Administration (CCSA) for approval.

New Cabinet resolutions

- **3 November 2020:**
 - **Approved principle:** Draft Ministerial Regulation on the exemption of fee relating to the registration of machinery;
 - Exemption on the fee for ownership registration of machinery, obtain the registration mark to be affixed by the authorized officer on machinery, apply for copying and certifying of documents.

- **10 November 2020:**
 - **Approved principle:** a guideline of management for the foreigners, who worked under MOU and the 4-years working period expired, to stay and work in the Kingdom:
 - Issue the draft notification of Ministry of Interior under Section 17 of Immigration Act B.E. 2522 granting the permission to stay temporally not more than 2 years for 3 nationals (Cambodia, Lao, and Myanmar), whose 4-years working period expires from 1 November 2020 to 31 December 2021.
 - Department of Employment shall accept the application for the work permit renewal and shall issue work permit for the foreign workers who entered to work in Thailand under MOU or Agreement and the 4-years period has expired;
 - Immigration Bureau office shall permit any foreign workers holding the passports or Emergency Certificate which are not expired to stay in Thailand under the guideline.

 - **Approved Draft:** Draft Notification of Eastern Economic Corridor Committee re: land use plan and infrastructure and utility development plan in EEC (Issue no.2) B.E. ... and the change of Special Economic Zones: Eastern Economic Corridor of Innovation (Issue no. 2) B.E. ...)

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- Expand the area of the EECi project located in Wangchan Valley, Rayong province around 152 Rai (inclusively 3,454 Rai for all areas).

Government Gazette Update:

Date	Part	Subject
6 November 2020	Kor	<ul style="list-style-type: none">• The recommendation of the President of the Supreme Court re: guideline to treat the victims of criminal case B.E. 2563- The guideline to the court to treat the plaintiff or the victim with due consideration and dignity, as well as safety concerns, and effects on body, mentality, position social status, of the person such as the temporary release process of the detainee, the remedies for damage.- <u>Effective date:</u> 7 November 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/092/T_0316.PDF</p>
7 November 2020	Kor	<ul style="list-style-type: none">• The Regulation of the President of the Supreme Court re: Mediation Process before Filing the Lawsuit B.E. 2563- Determines the conditions to refuse the request for the mediation process, such as the case has been filed to the court, etc.;- The consents of the opposing party to the mediation can be questioned via phone, post, and determined electronic media;- The settlement agreement must be signed by the parties, unless otherwise approved by the court;- The request to issue a judgment in accordance with the settlement agreement must be submitted to the court on the date that both parties enter into the agreement at the latest.- <u>Effective date:</u> 8 November 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/093/T_0001.PDF</p>

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9 November 2020	Phiset Ngor	<ul style="list-style-type: none">• Notification of the Director-General of the Revenue Department on VAT (issue no. 236) re: determination of the form of VAT notification.- <u>Effective date:</u> 10 November 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/263/T_0022.PDF</p> <ul style="list-style-type: none">• Notification of the Director-General of the Revenue Department on VAT (issue no. 236) re: Prescribing rules, procedures, and conditions for deregistering of VAT- The application can be submitted through the Website or Revenue Office- <u>Effective date:</u> 1 November 2020 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/263/T_0020.PDF</p>
12 November 2020	Kor	<ul style="list-style-type: none">• Ministerial Regulation re: Determination of the Type or Size of Building and Standard, Rule and Procedure for Designing of Energy Conservation Building B.E. 2563- The prescribed buildings under this Min. Reg. which has an area of 2,000 sqm. or more are required to be designed or modified (for energy conservation) in accordance with this Min. Reg.- Prescribes the standard of the wall, light, air-condition, water heater system.- <u>Effective date:</u> 11 March 2021 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/A/094/T_0007.PDF</p>
13 November 2020	Phiset Ngor	<ul style="list-style-type: none">• Notification of the Director-General of the Revenue Department (Issue no. 24) re: Determination of rules, procedures, and conditions for the exemption of income tax, VAT, Specific Business Tax, duty stamp for the donation to educational institutes made through the electronic donation system- Grant the tax deduction for charitable contributions made through the online system.- Determine the rules, procedures, and conditions for the donation of property or products.- <u>Effective date:</u> 1 January 2020 – 31 December 2021 <p>http://www.ratchakitcha.soc.go.th/DATA/PDF/2563/E/269/T_0024.PDF</p>