



THAILAND

LEGAL ASPECTS FOR CHINESE CORPORATE INVESTORS

In Cooperation with LEADVISOR LAW

Facilitator

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INTRODUCTION: Dr. Andreas Respondek

- ▶ American Attorney at Law (since 1983)
- ▶ German “Rechtsanwalt” (since 1986)
- ▶ Chartered Arbitrator (FCIArb; since 2007)



- Thailand Investment Guide (in German)
<https://www.rflegal.com/upload/document/thailand-investitionsleitfaden-2019.pdf>
- Singapore Investment Guide (in German)
<https://www.rflegal.com/upload/document/singapur-investitionsfuehrer-23.05.2022.pdf>
- Asia Arbitration Guide (in English)
<https://www.rflegal.com/upload/document/asia-arbitration-guide-2021-08.04.2021.pdf>



1. THAILAND – OVERVIEW

Area: 513,120 sq km

Population: 69.7 mio; focus: greater BKK area

Form of state: Constitutional Monarchy

Currency: Thai Baht (THB 100 = CNY 19.07)

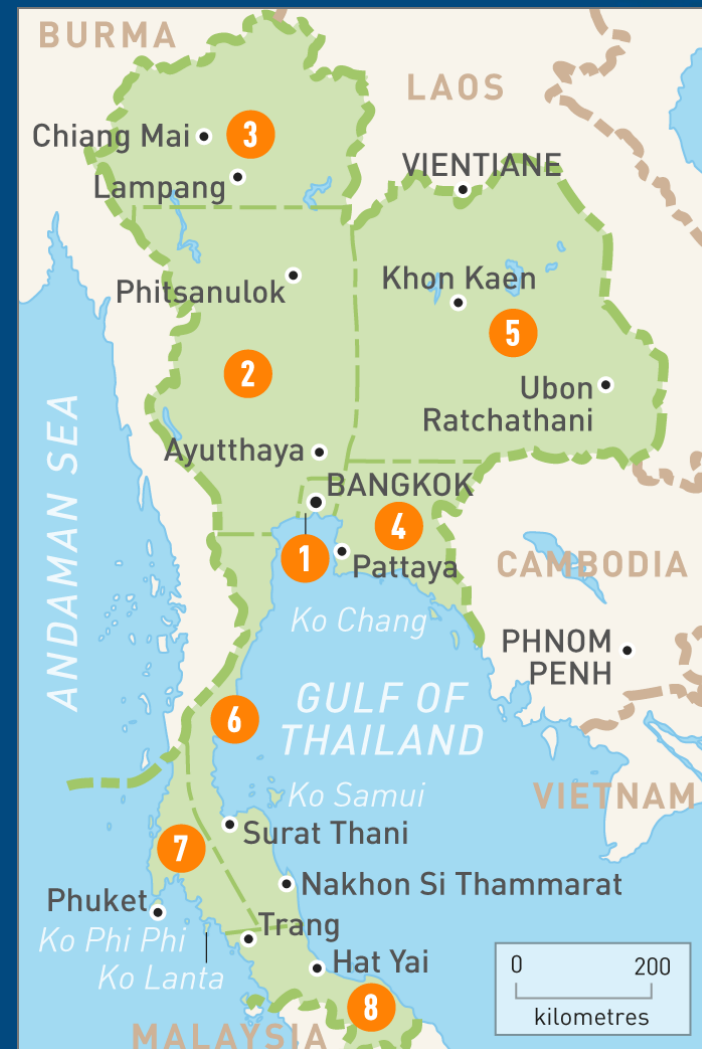
GDP per capita: USD 17,300

Corruption Index: 110/180

(<https://www.transparency.org/en/countries/thailand>)

China's influence in Thailand: #3

(<https://china-index.io/>)





2. THAILAND – THE LEGAL SYSTEM

- Civil Law System
- Prominent role of the Thai Civil and Commercial Code (“CCC”)
- Strong influence of Japanese Civil Code
- Legal research in Thailand



3. FOREIGN INVESTMENT – The Thai “Foreign Business Act (FBC)”

- Main and most important regulation regarding foreign investment in Thailand: FBA
- English text:
http://thailaws.com/law/t_laws/tlaw0107a.pdf
- Major contents: making it mandatory for foreign investors to have at least 51 % Thai shareholders in a company in Thailand



4. HOW CAN THE ONEROUS PROVISION OF THE FBA CIRCUMVENTED IN A LEGAL MANNER?

- 4.1 Manufacturing
- 4.2 US Treaty of Amity (historical background)
- 4.3 Foreign Business License
- 4.4 Board of Investment (“BOI”)



5. THE BOI INVESTMENT INCENTIVES

- Background of BOI;
<https://www.boi.go.th/en/index/>
- Investment catalogue
- Investment application procedures; success chances



6. LEGAL FORMS OF BUSINESS ORGANIZATIONS

- Various legal vehicles: partnerships, RO's, limited liability companies etc
- Most prominent legal form for foreign investors: limited liability company
 - Shareholding, minimum shareholders
 - AoA: voting rights
 - Board of Directors, minimum number
 - Capitalization
 - Number of Thais to be employed per foreign national



7. Corporate tax

Corporate income tax rate is 20 %



8. LABOUR LAW

- Most important legislation for foreign investors: Thai Labour Protection Law
- Regulations in case of terminations, severance payment
- Employment of foreign nationals
- More information: Thailand Employment Law Manual (in English):

<https://www.rflegal.com/upload/document/thai-labour-law-manual-2021-27.01.21.pdf>



9. DATA PROTECTION

- Since 01. June 2022 Thailand's Personal Data Protection Act is in place
- Comparison with GDPR

More details:

<https://www.rflegal.com/upload/document/thailands-new-personal-data-protection-act-february-2022.pdf>



10. DISPUTE RESOLUTION

- Enforcement of foreign judgments in Thailand?
- Thailand is signatory to the New York Convention
- Arbitration Centre in Thailand
- Experience with enforcement of foreign arbitral awards in Thailand
- More information:
<https://www.rflegal.com/upload/document/asia-arbitration-guide-2021-08.04.2021.pdf>, p. 363 ff



11. PERMANENT RESIDENCE & THAI CITIZENSHIP

- **Procedures and practical aspects**



感謝諸位的時間



Q & A



**THANK YOU FOR
YOUR ATTENTION!**

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