



Joint Foreign Chambers of Commerce in Thailand

Key Points –

'Doing Business' enhancements; welcoming business visitors; modernising a 44 year old law

Thailand has policies to attract business visitors including International Headquarters (IHQ) arrangements; the Kingdom is also a well-known as an attractive conference destination.

Unlike most places in the world, such activities in Thailand are hamstrung by a 44 year old law which for most activities requires a work permit. This applies to a wide range of activities which most business visitors do not consider to be 'working'. Just two examples: signing financial statements at a board meeting and speaking at a conference are officially classified as 'working', for which a work permit is needed.

A law dating back to 1972 (now in the 2008 Foreign Employment Act) defines work as exerting physical or mental effort, whether paid or not. This is astonishingly wide.

There have been good efforts to interpret the law to allow various activities without the need for a work permit. But these do not really address the problem. Two large holes (see examples above) already exist in these interpretations and there are many others.

It is recommended by many that the legal definition of 'work' effectively be changed so that no work permit is needed for legitimate business visitors.

How?

One simple way to change the law is to use the definition of a 'business person' or business visitor to create a visa-free or visa-on-arrival category. For a wide range of business visitor-type activities, no work permit would be needed.

This borrows a concept from APEC which Thailand has already agreed to in that context, and makes it part of domestic law.

A dialogue on this or any other proposal to change the law defining 'work' is very much welcomed.

A change to the law would not impact Thai jobs; it would merely give a solid legal footing to the necessary activities of a typical business visitor who is not working in Thailand. It would also increase Thailand's competitive edge, improve ease of doing business and better support the heart of ASEAN which is a natural choice for MICE. Not having a proper legal status impacts travel insurance, affects the legitimacy of otherwise valid actions, and exposes business visitors to needless risks and difficulties.

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