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2020:
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Introduction



Throughout the year, we have been keeping you up to date on noteworthy developments across the region with our Regional Round-up Publications. As we enter 2021, we are pleased to share with you our inaugural year-in-review edition of the Regional Round-up for our Regional Offices in the Rajah & Tann Asia network.

In each jurisdiction, we recount the milestones in the path that has been travelled in 2020, as well as consider the terrain of the road that lies ahead in 2021. In the "Looking Back: 2020" section, we take stock of the past year and highlight the key legal and regulatory developments affecting each jurisdiction in 2020. In the "Gazing Into: 2021" section, we look ahead to some key areas of development that you should take note of in the year to come, referencing the legal and business trends shaping up potential legislative and regulatory changes in each jurisdiction.

We hope that this year-in-review edition of the Regional Round-up provide some perspective and insight into the legal landscape of the jurisdictions across the region. As always, please feel free to contact our lawyers in our Regional Offices if you have any queries or for further discussions.

Please click on the links below to access the full collection of our country-specific Regional Round-up 2020:

- [Cambodia](#)
- [China](#)
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- [Myanmar](#)
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Looking Back: 2020

One of the most significant changes and developments in 2020 would be the introduction of several laws to manage the **COVID-19 pandemic**. These include, among others, those empowering the Bangkok and provincial governors to order the closure of places posing risk of transmission of the virus, imposing a curfew during specific hours, introducing financial and tax measures to support businesses and individuals, relaxing requirements on holding meetings and submitting annual reports for the corporate sector, and extending the deadline for land and building tax payments.

In the area of dispute resolution, **civil mediation before litigation** was introduced to provide more options for resolving civil disputes, which would in turn help reduce the number of cases in the Court.



In recognition of the disruption caused by the COVID-19 pandemic, the planned May 2020 **implementation of the Personal Data Protection Act was delayed** for certain types of data controllers for a one-year period, and **standards for maintaining the security of personal data** to be adopted by such data controllers during this period were issued.

In the area of **competition law**, there were substantial inroads made into the enforcement of the 2017 Trade Competition Act and the issuance of decisions and subordinate laws to clarify its intended scope and application. For example, the Office of the Trade Competition Commission ("**OTCC**") issued an important decision conditionally approving the acquisition of the local retail business of Tesco by the Charoen Pokphand Group (CP), which was seen as the first major test of the 2017 Trade Competition Act. A new notification was also issued to clarify unfair business practices in respect of online food delivery platforms and business operators, an issue on which OTCC had received numerous complaints since the start of the COVID-19 pandemic.

The following are certain other key developments in 2020:

- amendment to the **market dominance test** under competition law;
- amendment to the Revenue Code on the issue of **collecting value-added tax on foreign e-services**;
- notifications setting out the **criteria for the classification of the utilisation of land and buildings as residential or agricultural**, for the purposes of determining tax rates; and

- ***Thailand becoming the 137th signatory state of the Multilateral Convention on Mutual Administrative Assistance in Tax Matters.***

Summaries of the key developments relating to the above areas are provided below.

COVID-19 – Control and Support Measures

Measures were introduced to prevent and suppress the spread of the disease such as a curfew between 10pm and 4am, and the closure of points of entry into Thailand and places that are risk-prone to the transmission of the disease. Other measures were also implemented to support businesses and individuals, for instance, emergency loans and soft loans, small and medium enterprise (SME) relief measures, tax relief measures, a temporary reduction of contribution to the Social Security Office ("**SSO**"), and compensation from SSO payable to employees absent from work due to the COVID-19 pandemic. Click [here](#) for more information.

COVID-19 – Company Meetings and Filings

Private limited companies which were unable to hold annual general meetings ("**AGMs**") within the period required under the law due to the COVID-19 pandemic are allowed to hold their AGMs after such period and notify the Ministry of Commerce ("**MOC**") of the reason for the said delay once the AGM is held. They are also permitted to submit the list of their shareholders and the audited financial statements to MOC within 14 days and one month from the date of the delayed AGM, respectively. In addition, private limited companies are allowed to conduct meetings via electronic means according to the requirements under the laws, and all the attendees may now attend the meeting from anywhere in the world. Substantially similar measures concerning the relaxation of requirements for company meetings and filings were also announced for public limited companies. Click [here](#) for the latest update on this development.

Civil Mediation before Litigation

A party to civil proceedings may now request in-court civil mediation before a complaint is filed with the Court. The mediation session is conducted by a court-appointed mediator. The parties are not required to be accompanied by their lawyers during the session, and may request the

court to render a judgement according to their settlement agreement. Click [here](#) for more information.

Personal Data Protection Laws – Postponement of Key Provisions

A one-year postponement, from 27 May 2020 to 31 May 2021, of the effective date of key operative provisions of the Personal Data Protection Act ("**PDPA**") was granted for data controllers which are governmental agencies, foundations or associations, agricultural businesses, industrial businesses, commercial businesses, and telecommunications business. During such period, these data controllers must put in place security measures for personal data in accordance with the standards prescribed under the law. Click [here](#) for more information.

Competition Law - Amendment to the Market Dominance Test

Thailand also issued a new Notification on Market Dominance, repealing the 2018 Notification on this issue, which came into effect on 26 September 2020. The test of market dominance under this new Notification could make it easier for OTCC to find a company dominant, as dominance can now be established where the other business operators in a concentrated market have less than THB1 billion sales. Click [here](#) for more information.

Gazing Into: 2021

Due to the recent increase in the number of COVID-19 infections in December 2020, the Government announced the latest **extension of the Emergency Decree** to 28 February 2021, and that subsidiary laws issued thereunder to be effective until further notice. Additional measures were implemented to control the movement of foreign workers within the country so as to mitigate the spread of the virus. The Government has also reintroduced measures to support businesses and individuals, such as the reduction of contributions to SSO, and compensation from SSO payable to employees who are absent from work due to the COVID-19 pandemic. Major developments in the first quarter of 2021 would likely continue to focus on the **COVID-19 pandemic controls and support**.



All of the provisions of the **PDPA** will become fully effective on 1 June 2021 after the postponement in 2020 of its coming into operation. A number of subsidiary laws are expected to be passed to set out further details of the requirements under the PDPA.

In addition, the following key trends and/or developments are to be noted:

- adoption of **civil mediation before litigation** as an alternative dispute resolution mechanism;
- increased enforcement of the **2017 Trade Competition Act**; and
- **ongoing development of 5G** after the roll-out in 2020.

A summary of the development on the PDPA is provided below.

Personal Data Protection

After being postponed as a result of the COVID-19 pandemic, the PDPA will become fully effective and enforceable against all data controllers on 1 June 2021. The list of members of the Personal Data Protection Committee ("**PDPC**") was approved by the Cabinet in May 2020, but is pending announcement in the Government Gazette. Once officially announced, PDPC will prioritise developing subsidiary laws to set out further details of the requirements under the PDPA, as well as guidelines on relevant matters. However, it remains to be seen whether there will be a further postponement given the current COVID-19 pandemic situation.

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