



## **TWO PARTS: Digital Economy/ICT; GENERAL**

### **Digital Economy/ICT**

#### ***BOI Software development***

Software development involves many skills (not all technical), rarely all in the one company. Collaboration and short, project-based engagements are the norm. Although software development is a long-standing BOI promotion, current practices do not fit well with BOI's promotion approach. We have mapped out what is needed and are preparing for a BOI discussion. This is a fundamental point about flexibility in skilled labour and will impact other areas.

#### ***Smart Visas***

BOI is reviewing smart visas, in particular a 'Freelancer' visa. BOI plan is to use an existing category 'T' to make this for science and technology only. Our proposal is broader – for 'Innovation', similar points to previous topic.

Smart Visa relies on 13 industries / activities – being the ten 'S' curve industries plus an additional three introduced in 2019:

- Alternative Dispute Resolution (Arbitration in particular).
- Human Resource Development in Science and Technology, and
- Environmental Management / Renewable Energy.

BOI's proposed revisions to Smart Visa:

- i) 14<sup>th</sup> industry / activity for experts in the development and management of business related to "Startup Ecosystem", specifically for "targeted technologies" as defined by NSTDA.
- ii) Human Resources Development ("HRD") activity applicable to industries and activities beyond only Science and Technology (but experts in non S&T sectors need endorsing by a public higher education institution and have a PhD/equivalent).
- iii) Digital Freelancer Smart Visa not as a separate category of Smart Visa ("F"), but a subset of the existing "T" (Talent) category, "S&T Freelancer". Financial indicators OK. Contribution to Thai economy is not necessarily from the tax system – the wider contribution is recognised. But S&T focus too narrow – we propose Innovation,
- iv) Working for an SME included in work experience, but no change to income criteria
- v) Some change to work experience and educational background for senior executives 'E' category
- vi) Affiliated company / related or supporting business can be included, not just one employer.

*There are positive developments, we are formulating recommendations on these issues:*

- Scope- wider = 'Innovation'
- We suggest a points system
- Address remote workers (the Mode 4 issue)



## **Digital Economy/ICT Update for Chamber members 21 Octoer 2020 PC. COVID – 19 Scheme – Border Opening; Guillotine; FBA**

FOR CHAMBER MEMBERS. DONE 21 OCTOBER 2020

- Make smart visa the standard for all skilled labour!

We met with BOI on 19 October (Zoom) and plan to reply before 23<sup>rd</sup>. BOI has been most accommodating in terms of willingness to discuss.

### **Digitisation / Being Digital**

On going on a variety of fronts, we will seek our third meeting for 2020 with DGA shortly.

We have followed up on the National ID card (physical card is administered in the Minister of the Interior; digital card via digital agencies).

The existing physical ID card for citizens has been a smart card capable card for a decade or so, but the chip has not been used. The existing card is to be used as a national ID card; data storage about the citizen is planned to hold gov't issued data about the subject– like a CNR (Citizen Name Record).

The agency responsible is DOPA – Dept of Provincial Administration, in the Ministry of Interior. DOPA is not open to business promotion and can be 'difficult to deal with'. There has been little movement on this project in recent times.

For standards for the digital ID card (which could also encompass the data architecture etc for the physical card) is ETDA.

ETDA follow up from August 18 meeting, – on digital payments, in particular as reported previously the use of an information rich standard (ISO 20022) to replace the existing.

We are also following up on possible data misuse through a report about data captured for COVID 19 purposes being sold, and a story about NBTC / CP tie up on a 'mobile ID' which does not seem to include other operators.

**Digital Tools (Meetings, Signatures)** The first webinar in the BEING DIGITAL series (first on 28 October). The series is currently supported by 7 chambers. More welcome. Register to attend on JFCCT website [here](#)

**BEING DIGITAL WEBINAR SERIES 2020**

Episode 1: Digital Tools: Electronic Meeting, Electronic Signature  
Wednesday 28th October 2020 at 14:00 -15:30 hrs. via Zoom Webinar Platform

ORGANISED BY

SUPPORTED BY

Logos of participating chambers: JFCCT, EABC, Irish Thai, Franco-Thai, THAI-FINNISH, Singapore-Thai, Swiss Thai.

**Copyright and on-line intermediaries** – DIP has updated an MoU for on-line intermediaries. Updated draft Copyright Act changes released, to support on-line governance. We have been involved with both. Awaiting confirmation next meeting date with DIP, possibly 29 Oct.



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**CP TPP** – monitoring the parliamentary enquiry following submission. Digital aspects important.

**EU Business Avenues (ICT) events:** 28 September (seminar) and workshop 30 Sep. 47 European ICT SMEs interacting with the industry in Thailand. Fourth year co-organising the Thailand part. Chair + Five of our members spoke each for 4 mins on 28 Sep about market insights; On 30 September, following talk by Dr Andreas Weigend, six of our members facilitated workshops for the 47 companies and some local companies.

Feedback from EU was positive. Sincere thanks to those members who contributed so much.

## GENERAL TOPICS

### ECONOMY

World Bank revised forecast from – 5%, to – 10.4%. Average of economists in 9% to 11% range. Exports and tourism = 70% GDP – 54% Exports, 18% Tourism (Dr Kirida 9 October). Short skills needed for Exports – technical, business.

**COVID 19** – compendium of government support updated 20 October [on JFCCT website](#) – see first file. Main updates:

- State of Emergency extended to 31 October 2020
- Additional categories (with some overlap) of permitted entrants, in addition to those in the CCSA list of 11 of 30 June; new include ABTC holders.
- Extension of visas from 26 September to 31 October
- Extension of ability of visa holders to stay in Thailand if already in Thailand; who already paid B1,900 and been approved an extension to stay of 30 days from Sept 27 under the previous 'visa amnesty' will be allowed to stay in Thailand until Nov 30 at no extra cost
- We Travel Together tourism campaign extension – 8 October
- STV (Special Tourist Visa) – 14 Day quarantine and stay 90 days – announced 6 October with idea for shorter quarantine if it works

The next update will include additional categories (ie O-A and O-X and airline approval announcements from CAAT).

### COVID 19 Border Works – safe and structured opening of borders

JFCCT one pager and short supporting slide pack – [on JFCCT website](#) on COVID 19 page (see second and third file). Special session 23 September to understand how the position is arrived at and to hear concerns and issues due to COVID 19. See materials distributed 15 September with Presidents' Council information. Essential from an economic and bigger picture public health perspective to allow in short skills, business people and have a plan for Tourism. Move from 'zero' to 'safe and manageable'.

There is no concrete plan for well understood safe short visits yet especially for technical and business people. All published categories still have 14 day quarantine. Publicly quarantine reduction is pegged to outcomes of STV programme – now 14 days, then 5-7 then 0.

But we need short stays for technical and business visits now, as recommended. Tourism has a development path also.



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**WP and VISA** in immediate term– eg WP &V- see JFCCT file [here](#) and anomalies [here](#). Visa extensions to 31 Nov (and for some who paid, to 30 Nov) -no eGov solution yet for theses, but there needs to be. No WP equivalent. Anomalies in O-A (1 year) and O-X (years) categories, as they are not in the 11 categories listed by CCSA on 30 June (which cover spouses and family members) but a subsequent note does specifically refer to these two long stay categories. The practice of denying visa extension due to other reasons has been used previously and should be flagged.

### **FBA**

JFCCT major submission June 2018. Since then one change to List 3 about intra-group business (2019), and (not FBA but relevant) a re-statement of limits to 39 professions (April 2020).

Working group meeting 24 September and ‘output draft’ released; closed for comments 12 October. Final circulated to all presidents with marked up and summary of changes. Thanks to all chambers which participated.

### **Executive Summary- FBA**

- i) Changes to List 3 of the Foreign Business Act have not kept up with changes in the market or in the economy. This fact is holding Thailand’s competitiveness back; it is a barrier to investment attractiveness. Add to this that Thailand is facing its most severe economic crisis in living memory.
- ii) It is essential to attract new and support existing FDI by way of expansion and flexibility. A message that Thailand is open for business is essential to avert business failure, loss of Thai jobs and shore up trust and confidence in Thailand as an investment destination.
- iii) Opening up List 3 will thus be a key tool in economic recovery.
- iv) JFCCT proposes suspending List 3 for three years (roughly the expected period for return to pre COVID 19 levels of growth), then working on permanent removals in three stages over that time, which are specified in JFCCT’s Proposal. This limited duration of special treatment would stimulate urgently needed FDI. Investments in any sector would enjoy investor protection, the suspension would cease after three years, with a revised List 3 reflecting certain permanent removals.

### **Recommendations- FBA**

Details are in the final letter as provided to all presidents. Investments made during the suspension period would have the normally expected investor protections; a kind of grandfather status, such that even if such business activities were not permanently removed from List 3, the original investment would continue to be honoured. List 3 at the end of the suspension period (at which time the suspension would cease) would, per JFCCT’s recommendations, reflect the permanent removals as proposed.

### **Next steps – FBA**

- Cover letter to several ministers and new DG DBD, keep it as a Guillotine topic
- Slide pack and one page summary for chambers.
- Direct contact
- Other actions including data collection (listed in notes of 24 Sep meeting)



Guillotine or 'fast track' regulatory reform needed. Public seminar 14 October write up [here](#).



Objective: implement the work done for 1,000 licences.. See separate one page handout. Please do add your name to the list of supporters.

Thanks to Dr Somkiat and TDRI team for organising and including us.

Follow up meeting with TDRI 28 October, then meeting with government to understand how to do fast track regulatory reform. See summary handout :

**Bank of Thailand (BoT)** 400 recommended changes to laws, and implemented several recommendations about FX, Saved THB 1.1 bn in annualized costs going forward. *October 2017.*

**Securities and Exchange Commission (SEC)** - training using the “Regulatory Guillotine” concepts and methodology as well as the processes for reviewing existing regulations. Outcome strengthened regulation-making. *December 2017.*

**EoDB (Ease of Doing Business)** 10 criteria in the World Bank “DB” Over five years due to remeasurement & improvements, Thailand moved from 20s to 40s . 21<sup>st</sup> out of 190 countries for 2020 ranking by improving on some key activity. Work Permit/Visa and gov’t contracts not included in the 10. *2019*

**Simple & Smart License Project**  
1,085 licenses analysed and full recommendations made (revise/remove/de-duplicate). Estimated saving to business THB 64bn if all implemented. JFCCT / other foreign input about 10%. *2018 - 2019*





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**Meetings:** #1 16 Jan, #2/20 Feb; #3/24 March (Zoom meeting); #4/21 April (Zoom meeting); #5 18 May (Zoom meeting), #6 16 June (Zoom)+ specials, #7 14 July (Zoom), #8 18 August (Zoom), #9 15 September (Zoom).; #10 20 October (Zoom). Participation is about 20; others welcome. See 'how to participate' one pager.

**How to join us:** see one pager + longer backgrounder on Committee page of website.

### **Select Recent Events (since Presidents' Council 16 September)**

- 18 September – JFCCT / TCEB MoU signing (supports events) – Rayong
- 21 September Dr Vilawan D-G Dept Treaties & Legal Affairs MFA – small group Zoom meeting
- 23 September – JFCCT Presidents engagement on safe border opening and related issues
- 24 September – JFCCT Presidents working group on FBA submission
- 28 September – 1 October - ConnecTec Asia annual regional event; and EU Business Avenues in S E Asia both virtual this year
- 28 September EUBA seminar – Market Insights – speaking + 5 members' experiences.
- 30 September - EUBA Workshops – Andreas Weigend talk, 6 workshop facilitators
- 2 October – ASEAN Digital Trade Platform – UK ASEAN Bus Council / ABAC
- 9 October – TDRI JFCCT Economic Update – Dr Kirida – write up [here](#)
- 14 October – TDRI Guillotine – write up [here](#)
- 19 October – BOI Smart Visa – Freelancers
- 20 October – Digital Economy/ICT formal meeting #10/2020

### **Up coming Events**

- MoE/OVEC on Digital Skills / DEEP - waiting for confirmation
- 28 October BEING DIGITAL webinar series – first webinar – Electronic Meetings, eSignatures
- 28 October – follow up TDRI on Guillotine – identifying the 1,000 + processed licences
- 28 October – Telecoms World Asia (Terrapin) – speaking on 5G
- October/early Nov: Updates with NBTC, DGA, DEPA
- 4-5 November – Asia-Pacific Rail (5G topic); rescheduled from 11-12 March; speaking on 5G
- CEBIT ASEAN virtual 23-29 November

COVID 19 page <http://www.jfcct.org/major-business-issues/covid-19/>

BOI Consultative session 17 Feb – materials and follow up <http://www.jfcct.org/boi-foreign-chambers-of-commerce-consultative-meeting-17th-february-2020/>

**Laws portal for members** [www.jfcct.org/information-for-digital-economy-committee-members/](http://www.jfcct.org/information-for-digital-economy-committee-members/)  
please use common DE/ICT password to access.

**Updated Glossary** - Glossary [here](#)- updated four times.