

New Law on Recruitment of Foreigners to Work in Thailand

On 15th August 2016 the Government of Thailand published in the Government Gazette the Royal Decree on Recruitment of Foreigners B.E. 2559 (A.D. 2016) (the “Royal Decree”). The Royal Decree came into force on and from 16th August 2016. Its main objectives are to act prevent and suppress human trafficking, forced labor, exploitation of foreign labors and to protect the interests of foreign labors in Thailand up to international standards.

The Royal Decree applies to (1) licensed companies that recruit foreigners to work with an employer in Thailand and (2) employers that recruit foreigners to work with themselves in Thailand.

Any employer who wants to recruit a foreigner to work with himself must be permitted by the Director General (the “DG”) of the Department of Employment.

Any recruiter of foreigners must be a recruitment company licensed by the DG. Such company must be a private limited company or a public limited company having the paid-up capital of at least THB1 million, and three fourths of the capital must be owned by Thai nationals.

The license-holder cannot demand any payment other than the fees and expenses at the rates specified by the DG and cannot demand any payment from the recruited foreigner. The license-holder must place with the DG a guarantee of not less than THB5 million against damages that may result from bringing foreigners to work in Thailand.

The employer who recruits a foreigner for itself must place a guarantee with the DG against the costs and damages which may result from hiring the foreigner.

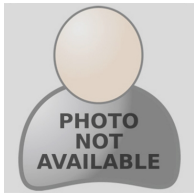
Both civil and criminal penalties will be imposed for non-compliance with the Royal Decree, which the maximum imprisonment term is 3 years.

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