

Doing Direct Selling Business In Thailand

Thailand Overview

- The Kingdom of Thailand is centrally located within Southeast Asia and shares borders with Myanmar, Laos, Cambodia and Malaysia. With population of over 68 million
- The climate generally is sunny, tropical, and very humid, with a rainy season from June to October.
- Official language: Thai
- Religion: Majority Buddhist



Economy Overview



- **Exchange rate:**
 - US\$1 = THB 32.92
 - Euro 1 = THB 40.85
 - Yen 100 = THB 28.01
- **The rate of inflation** in Thailand for 2014 is forecast as 2.2% by the Bank of Thailand in its Inflation. Report dated June 2014. Inflation rates for 2013, 2012, and 2011 were 2.2%, 3.0%, and 3.8% respectively.
- **Economic growth** current rate an estimation of approximately 1% per annum for 2014, and a per capita GDP (PPP) of about USD 5,779 (at the end of 2013).

Direct Selling Overview in Thailand



Direct selling

- Average 5-7 % growth annually.
- Sales of THB71 billion in 2014.
- Popular categories are personal care, cosmetics and dietary supplements.
- Beauty and personal care category is projected to increase from \$24,605.0 in 2014 to \$26,170.1 in 2015 (6.36% inc.);
- Consumer healthcare is projected to increase from \$16,176.8 in 2014 to \$17,358.6 in 2015 (THB million) (7.31% inc.).

(“Direct Selling in Thailand”, Euromonitor International, May 2015).

Doing Business in Thailand



Department of Business Development
Ministry of Commerce



Revenue
Department



Food and Drug
Administration
Thai Industrial Standards
Institutes



Office of Consumer
Protection Board



Custom
Facilitation



Department of Labour
Protection and
Welfare

Setting up a Business

1



Reserve
Company Name



Deposit Paid-In
Capital



Obtain
Corporate Seal



Register the
Company

2

Type of Business Registration



- Partnership
- Limited Company
- Other Forms of Corporate
- Regional operating HQ

3

Taxation



- Corporate Income Tax
- Value Added Tax
- Personal Income Tax
- Other Taxes



Tax Calculation



Tax filling and
payment

4

Product License



Register for
Product
Licensing



FDA

- Cosmetics
- Food Supplement
- Wellness



TISI
(Thai Industrial
Standards
Institutes)

- Electronic Devices
- Other Devices

5

Direct Selling License



Register for
Direct Selling
Licensing



- Compensation Plan
- Product List
- Company Profile



Direct Selling
License

6

Custom Facilitation



Submit
Document



Custom
Clearance



Port Handling

7

Labor Issue



- Labour Protection
- Social Security



Law and Regulation



Foreign Business Act, B.E. 2542 (1999)



Direct Selling and Direct Marketing Act, B.E. 2545 (2002)



Consumer Protection Act, B.E. 2522 (1979)



Cosmetic Act, B.E. 2535 (1992)



The Food Act, B.E. 2522 (1979)



Industrial Product Standards Act, B.E. 2548 (2005)



Labour Protection Act, B.E. 2541 (1998)



Government Contact Lists



Department of Business Development, DBD

Address : 44/100 Nonthaburi 1 Road, Bangkrasor, Muang Nonthaburi
11000 Thailand

Tel : Call Center 1570

Fax : +662- 547- 4459

E-mail : computer@dbd.go.th

Website : http://www.dbd.go.th/dbdweb_en/main.php?filename=index



The Revenue Department

Address : 90 Soi Phaholyothin7, Phaholyothin Road, Bangkok, 10400

Tel : +662- 272- 8000 or 1161

Website : http://www.rd.go.th/publish/index_eng.html

Contact Lists



Food and Drug Administration

Address : 88/24 , Tiwanon Road, Muang Nonthaburi 11000 Thailand

Tel: +662- 590 -7000

Website: http://www.fda.moph.go.th/fda_eng/frontend/theme_1/index.php

Cosmetic Control Division

Tel: 66- 2590-7441, 66- 2590-7278

E-mail: cosmetic@fda.moph.go.th

Food Control Division

Tel: 66- 2590-7186, 66- 2590-7189

Fax: 66-2591-8460

E-mail: food@fda.moph.go.th

Contact Lists



Food and Drug Administration

Address : 88/24 , Tiwanon Road, Muang Nonthaburi 11000 Thailand

Tel: +662- 590 -7000

Website: http://www.fda.moph.go.th/fda_eng/frontend/theme_1/index.php

Drug Control Division

Tel: 66- 2590-7160, 66- 2590-7171

Fax: 66-2591-8390, 66-2591-8489, 66-2590-7170

E-mail: drug@fda.moph.go.th

Medical Device Control Division

Tel: 66- 2590-7244

Fax: 66-2591-8445

E-mail: mcfdc1988@fda.moph.go.th

Thai Food and Drug Administration

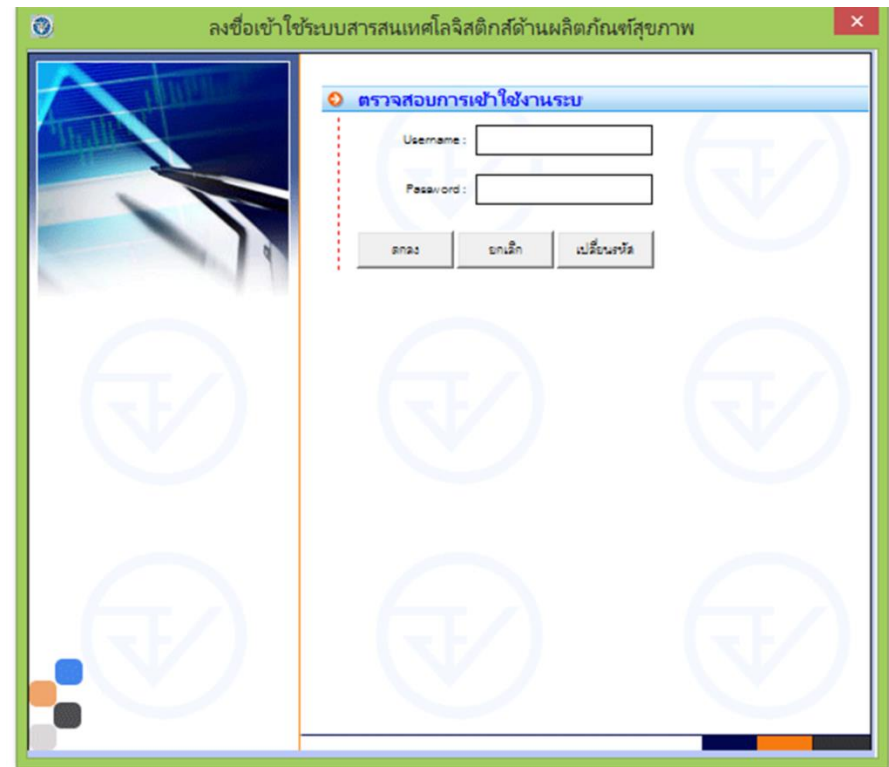


- **Drug Control Division**
- **Food Control Division**
- **Cosmetic Control Division**
- **Medical Device Control Division**
- **Hazardous Substance Control Group**
- **Narcotic Control Division**



Product Registration Process (Personal Care)

Using Online Application
to register whole process
to get product license



ลงชื่อเข้าใช้ระบบสารสนเทศโลจิสติกส์ด้านผลิตภัณฑ์สุขภาพ

ตรวจสอบการเข้าใช้งานระบบ

Username :

Password :

login ยกเลิก เปลี่ยนรหัส



Product Registration Process (Personal Care - Register Online)

- login User provided 1 account per company.
- 7 days to consider and approve product registration
- Required information
 - Product Name
 - Product Type
 - Master Formula
 - Importer
 - Distributor
 - Product of Origin





Product Registration Process (Diet Supplement)

- Apply for queue via website or phone call
<http://iodinethailand.fda.moph.go.th/foodbooking/>
- Prepare document
 - Import document
 - ID or Passport/ Home certificate/ and work permit
 - Company registration
 - Copy of nationality of Co.,Ltd.
 - Home certificate of importer and warehouse
 - Warehouse rental contract and owner's ID.
 - Rental space diagram
 - Attorney letter
- Register process at One Stop Service Center (OSSC)





One Stop Service Center (OSSC)



- Consultant Service
- Product Registration Division
- Financial Division



Strength and Weakness

- **Strength**
 - Sufficient Information
 - Manageable time for clients
- **Weakness**
 - 1 language in Thai available

Government Contact Lists



Thai Industrial Standards Institute: TISI

Address : 75/42, Rama VI Road, Ratchathewi , Bangkok 10400 Thailand

Tel: +662-202-3300

Fax +662- 202- 3415

E-mail : thaistan@tisi.go.th

Website : <http://www.tisi.go.th/>



Office of the Consumer Protection Board

Address : The Government Complex Commemorating His Majesty the King' 80th Birthday Anniversary, 5 December , B.E. 2550 (2007) Building B, Floor 5, Chaengwattana, Thung Song Hong, Laksi, Bangkok, Thailand, 10220

Tel : OCPB Hotline 1166

E-mail : consumer@ocpb.go.th

Website: <http://www.ocpb.go.th>

Government Contact Lists



The Customs Department

Address : Sunthornkosa Road, Klong Toey
Bangkok, 10110. THAILAND.

Tel: +662- 667- 6000, +662- 66-7 7000

Fax: +662- 667- 7767

E-mail : 1164@customs.go.th

Website: <http://www.customs.go.th/>



Department of Labour Protection and Welfare

Address : Mitmitree Rd. ,Din Deang District, Bangkok 10400

Tel : +662 -245- 4310-4, Call center 1546

Fax : +662 -245- 8229

E-mail : info@labour.mail.go.th

Website: <http://www.labour.go.th/en/>



TDSA Contact Information

Thai Direct Selling Association

Address : The Paradise Village

48/49 Moo 1, Soi Chaengwattana 14,
Chaengwattana Road, Tungsonghong, Laksi,
Bangkok 10210

Tel: +(66) 2574 3208

Fax: +(66) 2574 3209

Website: www.tdsa.org

E-mail : sukanda@tdsa.org



Thank you