

# Regulatory Framework for Nomad Welcome Desk in Thailand

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## 1. Executive Summary

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This document outlines the key regulatory considerations for establishing the Nomad Welcome Desk in Chiang Mai, Thailand. The analysis covers the Foreign Business Act (FBA), work permit requirements, visa options for digital nomads, the legal framework for Cooperative and Work-Integrated Education (CWIE), and a recommended legal structure. The proposed model of a **Social Enterprise with a Cooperative Education Partnership** appears to be the most viable and compliant structure for the project.

## 2. Foreign Business Act (FBA) and Ownership Structure

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The Foreign Business Act, B.E. 2542 (1999) is the primary legislation governing foreign participation in Thai businesses. Service-based businesses, including those in the tourism and hospitality sector, are classified under **List 3 of the FBA**, which restricts foreign ownership.

*A “foreigner” is defined as a natural person who is not of Thai nationality, or a juristic person (company) in which 50% or more of the capital is held by non-Thai individuals or entities.*

To comply with the FBA, the Nomad Welcome Desk must be structured as a **Thai-majority-owned entity**. This means that at least 51% of the company’s shares must be held by Thai nationals. The project’s proposed ownership structure, with 70% equity allocated to Thai participants, aligns with this requirement.

### 3. Work Permit and Visa Requirements for Foreign Founder

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The founder, as a foreign national, will require a **Non-Immigrant B (Business) Visa** and a **Work Permit** to be operationally involved in the project. The standard requirement for a work permit is the employment of **four Thai employees for every one foreign employee**.

However, there are alternative arrangements to consider:

- **Consultancy Agreement:** The founder could provide technical and strategic services to the Thai-majority company through a consultancy agreement. This may offer a more streamlined approach to compliance, but legal counsel should be sought to ensure the arrangement is structured correctly.
- **BOI Promotion:** The Thailand Board of Investment (BOI) offers incentives, including majority foreign ownership and relaxed work permit ratios, for projects in promoted sectors. While the Nomad Welcome Desk may not fall into a traditional BOI category, the social enterprise and youth employment aspects could be leveraged in an application.

### 4. Visa Options for Digital Nomad Clients

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Thailand has recently introduced several visa options that are highly relevant to the target market of the Nomad Welcome Desk:

Visa Type	Key Features
<b>Destination Thailand Visa (DTV)</b>	5-year validity, multiple entries, 180-day stays (extendable). Specifically designed for remote workers and freelancers.
<b>Long-Term Resident (LTR) Visa</b>	Up to 10 years of residency and work authorization for high-income professionals and remote workers.
<b>Smart Visa</b>	Targeted at professionals in technology and innovation, particularly those in BOI-promoted industries.

The Nomad Welcome Desk can position itself as an expert in navigating these new visa options, providing a key value proposition to its clients.

## 5. Cooperative and Work-Integrated Education (CWIE)

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The project's partnership with Thai universities is well-supported by the established CWIE framework. Key aspects of this framework include:

- **Legal Status:** Students participating in CWIE are covered under educational provisions, not labor law. This simplifies compliance for the host organization.
- **Structured Program:** Placements are typically for a full semester (16 weeks), with students earning academic credit.
- **Supervision and Evaluation:** The framework mandates dual supervision from a workplace mentor and a university faculty advisor, with a formal evaluation process.

## 6. Recommended Legal Structure: Social Enterprise

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The **Social Enterprise Promotion Act, B.E. 2562 (2019)** provides an ideal legal structure for the Nomad Welcome Desk. A registered social enterprise benefits from tax exemptions and government support programs.

To qualify, the entity must:

- Be established under Thai law.
- Have a primary objective of operating a business for the sale of goods or provision of services.
- Aim to promote employment or solve community, social, or environmental problems.
- Reinvest at least 70% of its profits back into the business or for social benefit.

This structure aligns perfectly with the project's mission of providing valuable work experience to Thai students and contributing to the local community. The limitation on profit distribution (no more than 30% of profits can be distributed to shareholders) is also consistent with the project's proposed ownership model.

## 7. Conclusion and Recommendations

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The Nomad Welcome Desk project is well-positioned to succeed within the current Thai regulatory landscape. The recommended legal structure of a **Social Enterprise with a Cooperative Education Partnership** offers a clear path to compliance and aligns with the project's social mission.

### **Immediate next steps should include:**

1. Engaging Thai legal counsel to initiate the registration of a social enterprise.
2. Drafting a formal Memorandum of Understanding (MOU) for university partners, based on CWIE guidelines.
3. Clarifying the founder's role and structuring a compliant work permit or consultancy arrangement.

By proactively addressing these regulatory requirements, the Nomad Welcome Desk can build a strong and sustainable foundation for success.

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*This document is for informational purposes only and does not constitute legal advice. Consultation with qualified legal and financial professionals in Thailand is recommended.*