



# Revision of mining codes and laws: Thailand

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# Country profile



- SE Asia
- Area: 530,000 km<sup>2</sup>
- Population: 66 million
- GDP: 455 billion USD
- GDP share:
  - Agriculture 6%
  - Mining & construction 5%
  - Manufacturing 27%
  - Services & others 61%
- Centralized government

# Overview of Thailand's mining industry (2017)

- Mining and quarrying 0.6% GDP
- 554 active mines
- Direct employment: 12,649
- 37 types of minerals
- Total production value: 2,278 million USD
  - Limestone for cement production 22% (68M t)
  - Limestone for aggregate 24% (68M t) (102M t)
  - Lignite 20% (16M t)
  - Others: stone for aggregate, gypsum, rock salt, silica sand, dolomite, shale, calcite, and feldspar

# Overview of Thailand's mining industry (2017)

## Import

- Value: 1,948 million USD
- Increased about 14% from 2016
- Key products:
  - Coal and coke (>75%)
  - Others: tin ore, dimension stones, talc, niobium and vanadium ore, molybdenite ore, and kaolin

## Export

- Value: 379 million USD
- Dropped by 36% from 2016
- Key products:
  - Tin metal (42%)
  - Gypsum (29%)
  - Others: anhydrite, feldspar, and dolomite

# Mining-related laws in Thailand

- Minerals Act B.E. 2560 (2017) and its Ministerial Regulations
- Other laws such as
  - Constitution B.E. 2560 (2017)
  - Enhancement and Conservation of National Environmental Quality Act B.E. 2535 (1992) and (No. 2) B.E. 2561 (2018)
  - Determining Plans and Process of Decentralization to Local Government Organization Act B.E.2542 (1999)
  - Labor Protection Act B.E. 2541 (1998)
  - Occupational Safety, Health and Environment Act B.E. 2554 (2011)
  - Hazardous Substance Act B.E. 2535 (1992)
  - Arms Control Act B.E. 2530 (1987)
  - Firearms, Ammunition Explosives, Pyrotechnics, and Fake Gun Act B.E. 2490 (1947)

Remarks: Petroleum is regulated by the Petroleum Act B.E. 2514 (1971)



# Minerals Act B.E. 2560 (2017)

Chapter 1 Mineral management policies

Chapter 2 Minerals Committee and Provincial Minerals Committee

Chapter 3 General provisions

Chapter 4 Mineral exploration

Chapter 5 Mining

Chapter 6 Underground mining

Chapter 7 Small-scale mining, mineral panning

Chapter 8 Mineral business operation, mineral dressing and metallurgy operation

Chapter 9 Survey

Chapter 10 Rejection of applications and cancellation, correction and revocation of permission

Chapter 11 Mineral royalties, fees and special subscription

Chapter 12 Development and promotion

Chapter 13 Civil liability

Chapter 14 Control and inspection

Chapter 15 Penalties

Chapter 16 Transitory provisions



# Revision of the Minerals Act

- Contextual changes
  - Structure of the mining industry
  - Lesson learned about mining impacts and
- Objectives of the revision
  - Modernization
  - Systemic resource management
  - Enhancement of operation quality and participation
  - Reduction of political influence and corruption

# Revision of the Minerals Act

- Changes
  - Law merging
  - Mineral Management Policy and the Commission
  - Mining zones
  - Criteria for permission and control mining operations
    - » Committee and authority
    - » Classification of projects
    - » Mine rehabilitation
    - » Penalties
  - Participation of community
  - Revenue collection and sharing
  - Land use compensation



# Revision of the Minerals Act

- Change characteristics
  - Incremental
  - Participative
- Achievements
  - Responsive to the situation
  - Presence of policy
  - Comprehensive in terms of management, less use of administrative power
  - More participation opportunities

# Revision of the Minerals Act

- Challenges
  - Imbalanced negotiation power
  - Investment hindrance
  - Impractical requirements
  - Excessively strict regulations and unreasonable penalties
- Implementation of new measures
  - Ongoing drafting process for the subordinate laws
  - Meetings to clarify work procedures

# Thank you for your attention!

