



Thailand Clean Air Bill Emerging Legal Risks and Regulatory Uncertainty

The decision to withdraw support for the current draft of the Clean Air Bill highlights the tension between stronger environmental regulation and maintaining Thailand's investment competitiveness.

The proposed penalty regime, with administrative fines reportedly exceeding THB 50 million, signals a move toward stricter enforcement. While addressing air pollution is critical, such penalties may raise concerns around proportionality and legal certainty, potentially affecting investor risk assessments.

Concerns also arise from broad enforcement powers, including warrantless searches and operational suspensions. These provisions may be viewed as inconsistent with due process and could expose the framework to challenges based on rule-of-law principles.

The draft further presents structural issues, particularly the potential overlap between new bodies such as a Clean Air Office and existing agencies like the Pollution Control Department, which may lead to regulatory fragmentation and increased compliance burdens.

References to alignment with incentives under the Board of Investment suggest that revisions may seek a more balanced approach. The bill remains uncertain, and its development will be key for businesses assessing regulatory and enforcement risks in Thailand.