Capacity Building and Other Issues Under the Strengthening Economic Legal Infrastructure Online Dispute Resolution Work Plan (Including Implementation of the Pilot)

Submitted by: Thailand
Thailand Snapshot

Population: 69,183,173  
Mobile subscribers: 92.33 Millions  
GNI Per Capita: 258,260 Baht  
E-commerce value: 3.20 Trillion Baht
Key E-commerce Indicators

- Internet users: **57 Millions**
- Internet penetration: **82.4%**
  "one of the highest in Southeast Asia"
- Mobile social media penetration: **80%**
- Time spent on social media: **3H 30M**
- Annual growth of social media users: **24%**
- 1 in 5 top activities online is **shopping online**
  (Internet banking)
Overall average use per day is **10.05 hours**.

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<thead>
<tr>
<th></th>
<th>Weekday/study</th>
<th>Holiday/weekend</th>
</tr>
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<tbody>
<tr>
<td><strong>Hours</strong></td>
<td><strong>9.48 hours</strong></td>
<td><strong>10.54 hours</strong></td>
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</table>

Internet activities in 2018:

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
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<tbody>
<tr>
<td>Online reading</td>
<td>48.27%</td>
<td>30.8%</td>
</tr>
<tr>
<td>Online product and service buying</td>
<td><strong>24.48%</strong></td>
<td><strong>13.7%</strong></td>
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<tr>
<td>Hotel reservations</td>
<td>20.65%</td>
<td>11%</td>
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<tr>
<td>Taxi booking/ride-hailing</td>
<td>12.61%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Movies/shows booking/ticketing</td>
<td>21.67%</td>
<td>14.6%</td>
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Source: Electronic Transactions Development Agency
THE VALUE OF THAILAND’S E-COMMERCE MARKET

Growth Rates
2017 - 2018

8.76%

Source: Electronic Transactions Development Agency
E-commerce in 2018

- B2B: 58%
- B2C: 30%
- B2G: 12%

Source: Electronic Transactions Development Agency
About THAC

Thailand Arbitration Center (THAC) is an institution that provides Alternative Dispute Resolution (ADR) comprises of arbitration and mediation services for cross-border disputes. It was first founded and commenced its operation in 2015, with an aim to promote and strengthen the ADR system and services in Thailand.
Overview of THAC: Scope of THAC’s ADR Services

Arbitration
- THAC Arbitration
- Small Claim
- Arbitration Training

Mediation
- THAC Mediation
- Mediation Training

Online Dispute Resolution
- TalkDD Platform
- ODR Training
Talk DD: THAC’s ODR System

❖ To provide an effective mechanism for the resolution of disputes where the seller is bound to negotiate or mediate a dispute in accordance with the terms of the agreement with the ODR provider.
❖ To address issues of delay in resolving disputes.
❖ Reduce the costs of mediating disputes.
❖ At the time of writing, THAC is developing the ODR system, which includes the states-of-the-art features like world-class audio and video conference options that caters for Arbitration.
Customer Complaints Statistic 2018

- Real Estate and Property: 32.38%
- Consumer Products: 26.12%
- Services: 22.54%
- Vehicle: 10.55%
- Travel: 6.26%
- Financial Institution: 1.61%
- Educational Institution: 0.54%

Source: Office of the Consumer Protection Board
Opportunities for ODR

THAC launched its ODR platform called *TalkDD* on 2016 and it serves as one-stop service in handling disputes for online or e-commerce transactions related dispute.

According to the statistic from the Office of the Consumer Protection Board of 2018, it showed that real-estate and property dispute is in fact the highest number of claims filed to the Board. Therefore, THAC aims to expand its ODR platform and put emphasis on real-estate and property disputes including the services moving forward.
Opportunities for ODR

As Thailand has a 82.4% rate of internet penetration and the highest average time of around 10.5 hours daily on the internet, it is expected that there will be a higher demand for ODR services in connection with online transaction activities.

The access to local courts in Thailand is expensive and time consuming. It makes it difficult for people living in remote places to approach courts for relief. Therefore ODR provides timely and effective relief without the challenges of accessibility in having to petition local courts.

The awareness and use of alternative dispute resolution (ADR) is generally not very high in Thailand. However, ODR may change this trend and push the use and understanding of the inherent benefits of ADR.
Opportunities for ODR

- The availability of ODR for the settlement of e-commerce disputes may result in higher levels of e-commerce activity given the confidence that a dispute resolution mechanism instills in having complaints quickly and effectively resolved.

- Broaden the scope for dispute resolution through ODR to include other commercial transactions beyond sales purchases online.

- With a national policy in place to increase the use of digital technology to support the growth of related industries, there may be space for the consideration of a legislation to require ODR for certain types of disputes.

- ODR can fill the gap for small vendors as a method of reducing costs and confidence that larger vendors can absorb in relation to their goods returns policy. This enables smaller vendors to continue delivering good customer service whilst preventing prohibitive costs associated with dealing with customer complaints.
THANK YOU