



## Thought Leadership | Renewable Energy

### Unlocking Opportunities in Thailand's Renewable Energy Market: A Legal Perspective

Now a pillar of sustainable development, renewable energy meets financial needs as well as environmental requirements. In Thailand, the shift toward renewable energy is not just a trend but also a strategic need. With a clear goal in focus and a strong legislative framework, the country is establishing itself as a leader in Southeast Asia's renewable energy scene.

Navigating this vibrant sector for companies and investors depends on comprehending Thai renewable energy rules. The principles of renewable energy, the current state of the sector in Thailand, and the legal issues required to thrive in this field are investigated in the article below.

#### Definition of Renewable Energy

Renewable energy refers to energy derived from natural resources that are replenished at a faster rate than they are consumed. Renewable energy sources have less impact on the environment and are sustainable unlike fossil fuels.

#### Main Types of Renewable Energy

- **Solar Energy:** Captures sunlight using photovoltaic cells or solar thermal technology. Solar power is one of the most widely adopted renewable energy sources due to its scalability and declining costs.
- **Wind Energy:** Harnesses wind power using turbines to create energy.
- **Hydropower:** Utilizes flowing water to create electricity, frequently via dams. Hydropower is a highly reliable source of renewable energy, offering both large-scale power generation and small-scale applications.
- **Biomass:** This transforms organic resources such as agricultural waste into energy.
- **Geothermal Energy:** Extracts heat from under the Earth's surface.

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Get in touch

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- **Energy Storage Systems (ESS):** ESS is essential for maximizing the efficiency and reliability of renewable energy. It stores excess energy for later use, stabilizes the grid, and ensures a steady power supply despite the intermittent nature of renewables.

### Benefits of Renewable Energy

- **Environmental Impact:** Renewable energy decreases greenhouse gas emissions, reducing climate change and improving air quality.
- **Economic Advantages:** Renewable energy produces employment, lowers dependency on imported fuels, and fosters technical innovation.
- **Energy Security:** By diversifying energy sources, governments may strengthen resilience to supply shocks.

## Renewable Energy Landscape in Thailand

### Current State of Renewable Energy

Thailand has made great progress in renewable energy production. As of current statistics, the nation has an installed renewable energy capacity of around 12,500 MW, including major contributions from solar and biomass energy facilities. The renewable energy industry in Thailand has witnessed continuous expansion, driven by both private sector efforts and government legislation.

### Government Goals and Initiatives

Thailand's Power Development Plan (PDP) defines the nation's energy plan, aiming for 30% renewable energy in the entire energy composition by 2037, with a renewable energy purchasing target maintained around 18,600 MW. To do this, the government has implemented a series of measures:

- **Incentives & Tax Benefits:** The Thai government gives tax exemptions, feed-in tariffs, and other financial incentives to promote renewable energy projects.
- **Infrastructure Development:** Investment in grid upgrades and energy storage technologies to support variable renewable energy sources.

### Economic Opportunities

The renewable energy market in Thailand has substantial prospects for both local and international companies. With an emphasis on sustainability, the industry draws in financing, creates collaborations, and

## About Us

### Projects and Energy Practice Group

Kudun and Partners has a broad range of experience in all aspects of the energy industry including solar farms, solar rooftops, wind farms, Waste-to-energy (WtE) and natural gas power plants. We leverage our unparalleled business and legal prowess assisting clients from inception to completion of a project, throughout the project's operational lifecycle. Our services include providing advice on FDI regulations, incentives by the BOI, company incorporation, corporate structure, tax structuring, acquisition and joint venture agreements, bid preparation, contract negotiation, and project financing.

Our award-winning work includes representing **B. Grimm Power and Energy China Consortium** in the successful bid and development of the world's largest hydro-floating solar hybrid power project at Sirindhorn dam by the Electricity Authority of Thailand (EGAT) worth over THB 842 million (approximately USD 27 million).

encourages innovation. Renewable energy is not simply an environmental necessity but a profitable commercial endeavor in Thailand.

## Renewable Energy Law in Thailand

### Key Legislation and Regulations

Renewable energy in Thailand is managed by a developing regulatory framework aimed at stimulating growth while maintaining sustainability. Key regulations include:

- **Energy Industry Act, B.E. 2550 (2007):** Regulates energy production, delivery, and consumption.
- **Alternative Energy Development Plan (AEDP):** Provides a strategy for renewable energy growth in Thailand.
- **Enhancement and Conservation of National Environmental Quality Act, B.E. 2535 (1992):** This act mandates Environmental Impact Assessments (EIAs) for projects that may significantly affect the environment, including large-scale renewable energy projects.

### Regulatory Bodies

Several bodies monitor renewable energy projects, assuring compliance and supporting development:

- **Energy Regulatory Commission (ERC):** Responsible for licensing and regulatory monitoring of energy projects.
- **Department of Alternative Energy Development and Efficiency (DEDE):** Focuses on establishing policies and boosting renewable energy adoption. It plays a key role in implementing the AEDP and other energy efficiency initiatives.

### Compliance Requirements

Compliance with renewable energy rules in Thailand is extensive, comprising licensing, environmental evaluations, and adherence to technical requirements.

### Key Steps in Compliance

- **Permit Acquisition:** Obtaining authorization from ERC and DEDE to commence projects.
- **Environmental Impact Assessments (EIA):** Mandatory for large-scale projects to analyze possible environmental implications.
- **Adherence to Technical Standards:** Meeting safety, operational, and quality norms imposed by regulatory agencies.

Understanding and managing these rules is crucial to the success of renewable energy businesses in Thailand.

## Understanding Renewable Energy in Thailand

Thailand's renewable energy industry has significant promise, backed by governmental endorsement, ambitious targets, and a robust investor environment. However, this attractive business is also governed by multifaceted legal and regulatory frameworks that demand mindful navigation by expert [corporate law firms](#).

Investors and enterprises must maintain compliance with renewable energy guidelines while capturing future opportunities in this developing market. Expert legal assistance from [top law firms in Thailand](#) may be important in overcoming regulatory impediments and enhancing investment results.

At Kudun and Partners—an expert [legal advice company](#), we specialize in providing complete legal guidance for renewable energy projects. With an in-depth understanding of Thailand's regulatory environment and a dedication to client success, we are here to advise you through every legal element of your renewable energy endeavors. Contact us now to understand how we can help your company in this growing market.

For more information, please get in touch with [our projects and energy practice](#), or alternatively, please contact the author at [chai.l@kap.co.th](mailto:chai.l@kap.co.th) or visit [www.kap.co.th](http://www.kap.co.th)

Discover more on Thailand's renewable energy, unlocking insights for potential investors and industry enthusiasts.

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