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# **THE STATE OF SOCIAL ENTERPRISE IN THAILAND**

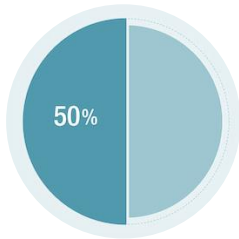
[www.britishcouncil.org](http://www.britishcouncil.org)

# Criteria for registration of SEs

**0** Legal entity  
Be a juristic person under Thai laws

**1** Objective  
Have social purpose

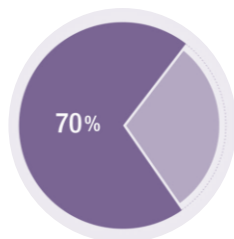
**2** Source of revenue  
only restricted for the profit-sharing SEs



No less than 50% of revenue must come from selling products or services

**3** Profit management  
only applicable for the profit-sharing SEs

No less than 70% of profit must be reinvested for social purposes



**4** Have good governance

**5** Have never been revoked from the registration

**6** No composition of over 25% of the partners, board members, authorized representatives of the entity used to be in the revoked entities.

\* 1 and 2 only applicable for the profit-sharing SEs

## Registered SEs are entitled to four types of benefits

1. The right to receive grants or loan from the Social Enterprise Promotion Fund;

2. Preferential treatment in government procurement;

3. Tax benefit, which is supported by the Royal Decree on the Taxation Code regarding tax exemption No. 621 B.E. 2559 (2016), granted to the SEs that do not share profit with shareholders, and the investors and donors of SEs

4. The Securities & Exchange Commission (SEC) allows registered SEs to raise funds from the public without having to change the legal entity from limited company to public limited company and without applying for the SEC's permission.

# Classifying social enterprises

Used online survey (SurveyMonkey) to collect data during April - July 2020: 202 responses in total

Survey respondents	Step 1: Check for completeness of responses	Step 2: Take out duplicate responses	Step 3: Identify SEs by three-question criteria	Total number of social enterprises
202	Eliminated 29	Eliminated 2	Eliminated 25	146

Questions	Eliminated if answer
1. What is the main purpose of your business?	For-profit only
2. Do you generate earned income/trading revenue?	No, we receive grants or donations only
3. How do you use/plan to use your profit/surplus?	Profit sharing with owners and shareholders

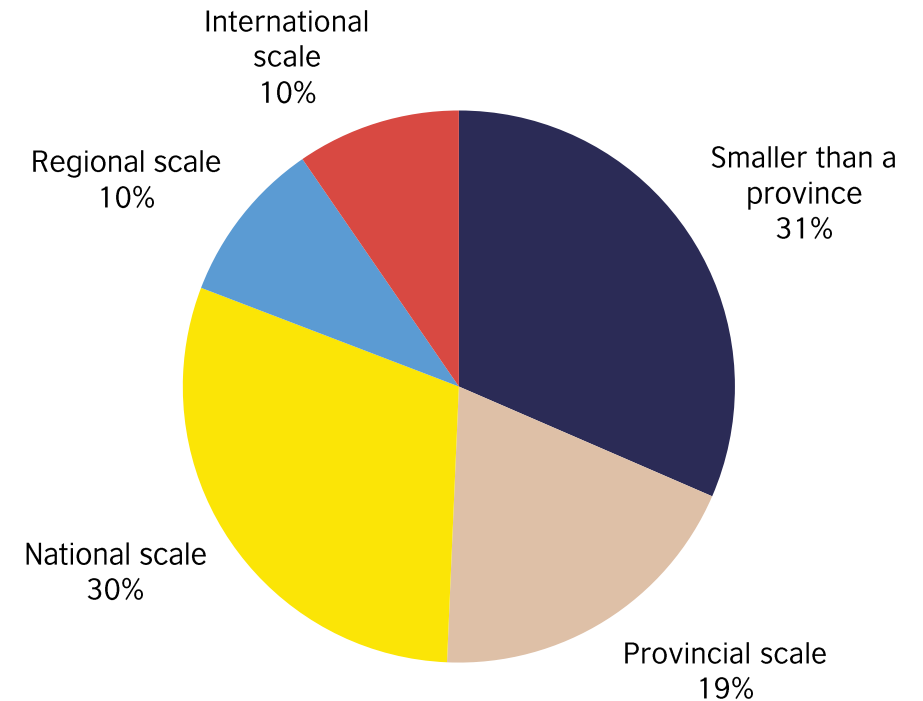
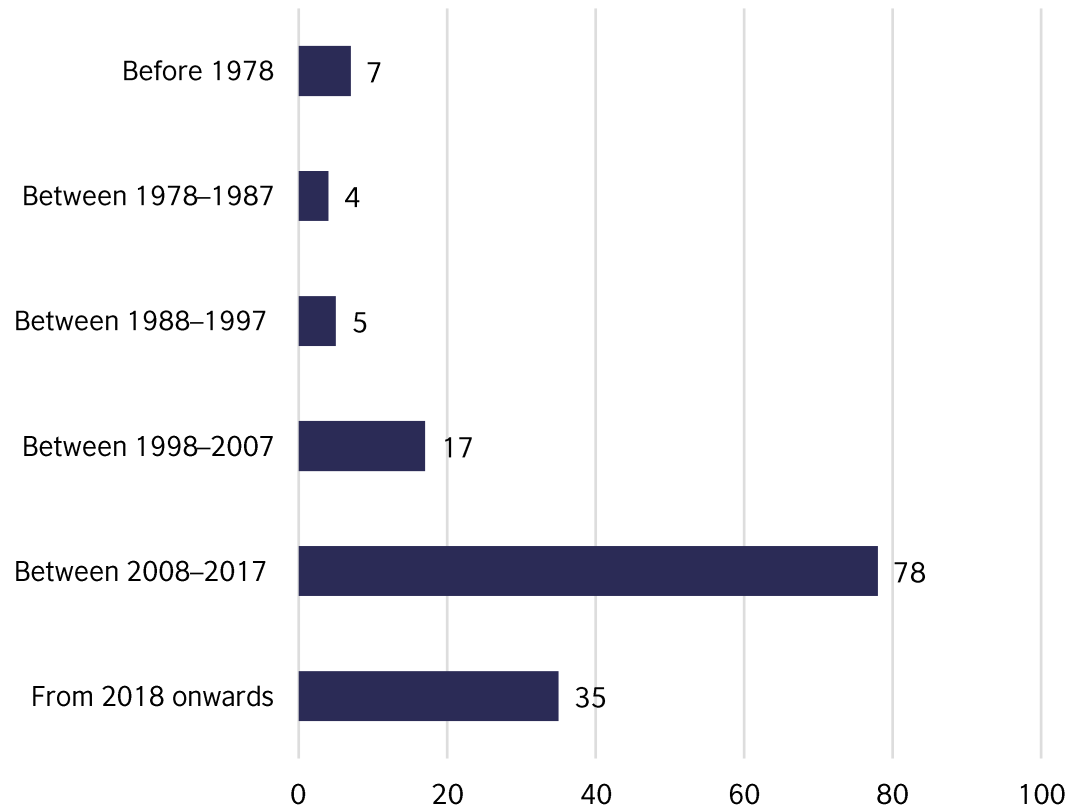
Number of organisations meeting the three criteria



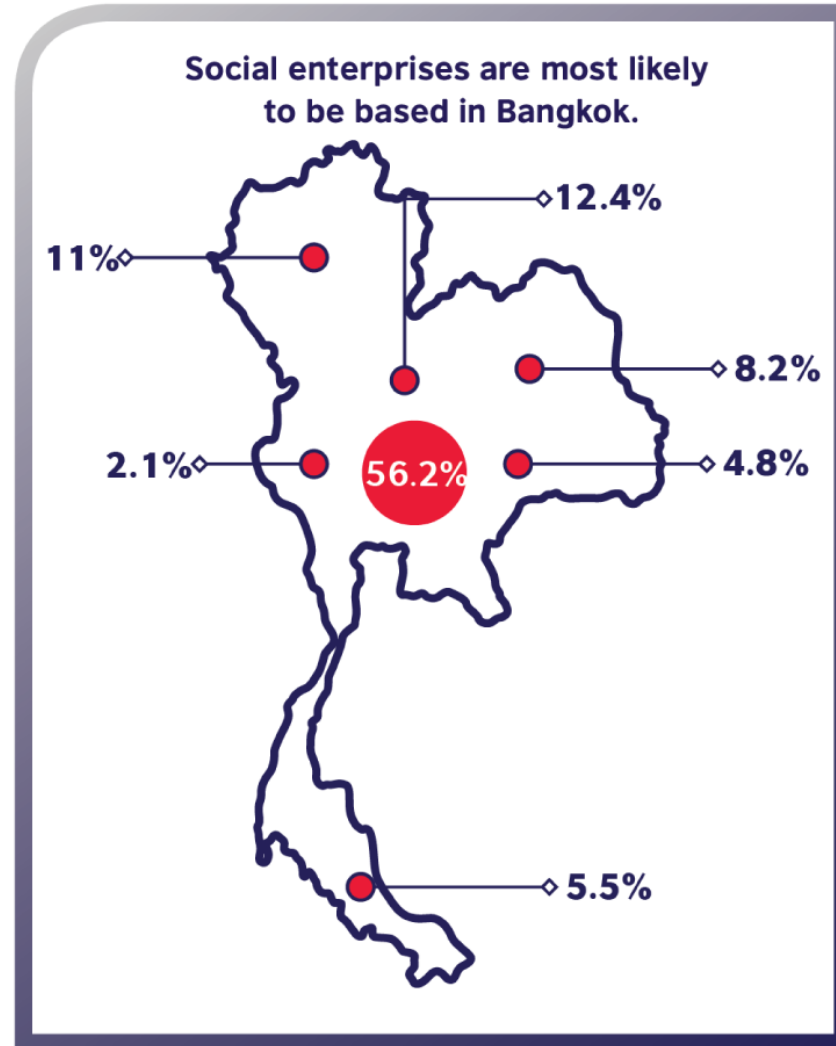
## Social enterprises in Thailand are often young, and operate at different scale.

The majority (53%) of SEs surveyed in this study were established in the past decade (2008-2017). This corresponds with the period of time when the Government started promoting the concept of SE

Around 30% of surveyed SEs are operating on a smaller than provincial level, which includes district, sub-district, and village levels. Another 30% of SEs are operating at a national scale.



Social enterprises in Thailand are most likely to be based in Bangkok.



**Social enterprises operate within diverse industries. The top three are agriculture, fisheries and livestock; education; and health.**



**15.8%**



**12.3%**



**11.6%**

**Social enterprises are creating impact for a diverse group of beneficiaries.**



**45.2%**

People with  
low income



**40.4%**

Elderly



**39.7%**

Children  
and youth

**Social enterprises are more often led by women than businesses are, and they are led by people of all ages. Fifty per cent of social enterprise leaders are under the age of 44.**



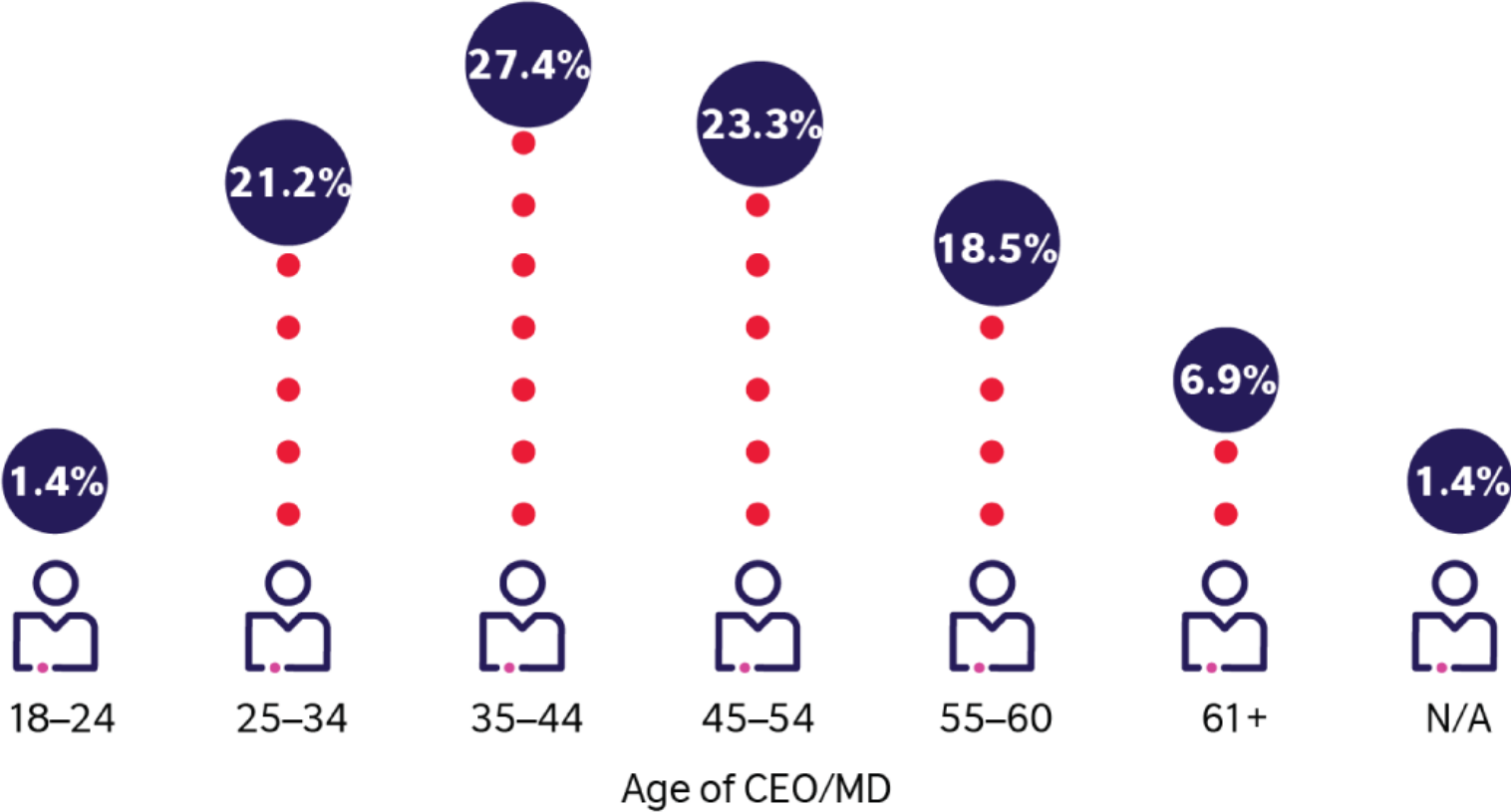
**59.6%**  
SEs led  
by men



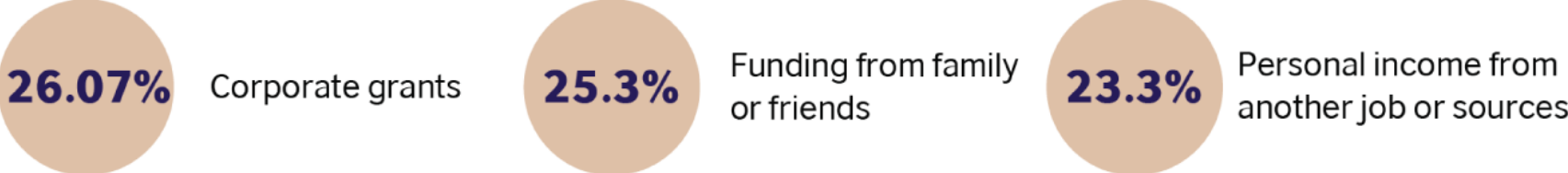
**34.9%**  
SEs led  
by women



**24.0%**  
Women in  
business  
leadership  
in Thailand



**Social enterprises receive financial support from a range of sources with corporate grants, family and friends, and personal income the most common sources.**



**Major challenges include access to finance and awareness of social enterprises.**

