



# Proposed Relaxations to Thailand's Foreign Exchange Regulations

Thailand's Ministry of Finance (MOF) and the Bank of Thailand (BOT) are moving forward with proposed amendments to the country's foreign exchange regulatory framework, reflecting ongoing efforts to modernise exchange control rules and reduce administrative burdens on cross-border financial activities. The proposed changes, currently subject to public consultation, aim to increase flexibility in managing foreign currency flows while preserving oversight and stability of the Thai baht.

Under the existing exchange control regime, Thai residents are required to repatriate foreign-sourced income exceeding USD 1 million within 360 days of receipt. In addition, outbound investments in foreign securities generally require prior notification to the BOT, which issues an Intention Acknowledgment Certificate that must be presented to authorised financial institutions to process fund transfers abroad.

Although these requirements are designed to support currency stability, they have increasingly been viewed as operationally restrictive. Mandatory repatriation within a fixed timeframe may limit treasury planning and cash-flow efficiency, particularly for businesses that regularly engage in international transactions. Similarly, pre-notification requirements for outbound investments can delay execution and reduce flexibility in responding to market opportunities.

To address these concerns, the MOF and BOT have proposed two key regulatory relaxations. First, the threshold for mandatory repatriation of foreign income would be increased from USD 1 million to USD 10 million. This change is expected to reduce the frequency of compulsory transfers, lower transaction costs, and allow businesses greater discretion in managing offshore receipts.

Second, the proposed framework would remove the BOT's pre-notification and Intention Acknowledgment Certificate requirement for outbound investments in foreign securities conducted

outside retail investment channels. Instead, investors would submit a simplified acknowledgment directly to their commercial bank, streamlining documentation and reducing procedural delays.

Together, these measures seek to balance regulatory supervision with commercial practicality. The reforms are designed to ease compliance burdens without undermining the BOT's ability to monitor significant capital movements or respond to macroeconomic risks.

For businesses and individuals involved in cross-border transactions, the proposed changes could improve liquidity management, facilitate overseas investment, and reduce compliance costs. Financial institutions may also benefit from simplified processing requirements, allowing a stronger focus on advisory and execution services.

Overall, the proposed relaxations represent a measured evolution of Thailand's foreign exchange regime, aligning regulatory practice more closely with international standards and supporting greater integration into global financial markets. Final implementation will depend on the completion of the consultation process and formal adoption of the amendments.

Should you have any question, please do not hesitate to contact us via [info@bgloballaw.com](mailto:info@bgloballaw.com)

