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# Ministry of Commerce of Thailand Tightens Enforcement Against Nominee Structures in Foreign Investment

On 26 March 2026, the Department of Business Development, under the Ministry of Commerce of Thailand ("DBD"), issued the Order of the Office of the Central Company and Partnership Registration No. 1/2569 ("DBD Order No. 1/2569"), marking a significant step toward enhanced enforcement against nominee arrangements in foreign investment structures.

The Order is intended to protect the public from potential harm and to safeguard economic stability by addressing the long-standing practice of using Thai nationals as nominee shareholders to conceal or facilitate foreign control over business operations.

Under DBD Order No. 1/2569, a registration officer is empowered to require an investment confirmation letter from a managing partner or director who executes an application for registration of certain amendments, particularly in the following circumstances:

I. Partnerships: Where, prior to the amendment, all partners are Thai nationals or foreign partners collectively hold not more than 50% of the total capital, and the proposed amendment results in foreign partners holding 50% or more of the total capital, without a foreign being a managing partner in that partnership.

II. Companies: Where, prior to the amendment, all authorized directors are Thai nationals, and the proposed amendment involves changes to the board of directors or directors' signing authority, resulting in foreign nationals becoming authorized directors or jointly authorized signatories of the company.

This enhanced scrutiny reflects a clear regulatory shift toward examining the substance of ownership and control, rather than relying solely on formal shareholding structures. Lastly, DBD Order No. 1/2569 will come into force on 1 April 2026.

Should you have any question, please do not hesitate to contact us via info@bgloballaw.com