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Thailand Builds a Policy Framework for the Data Center Boom

Thailand is moving toward a more coordinated regulatory framework for data center businesses following the Cabinet's approval, on 5 August 2026, of a draft of Prime Minister Office’s regulation establishing a Data Center Business Policy Committee. The proposed committee would be responsible for developing policies, standards and frameworks for regulatory approvals relevant to data center operations, including telecommunications licences, investment promotion certificate and other related permits. The draft also defines a data center broadly as infrastructure housing electronic equipment used to collect, store, process, host or transfer information electronically to non-affiliated third parties, subject to further prescription.

The initiative is significant because Thailand currently has no dedicated law governing data center operations. Instead, developers and operators must navigate a collection of generally applicable rules covering matters such as building control, land use, construction, foreign business activities and telecommunications licensing. The proposed committee would provide a central policy mechanism across this fragmented regulatory landscape and would also be empowered to conduct impact assessments on data center businesses. However, the Cabinet approval concerns the draft regulation and does not itself create a comprehensive new licensing regime for data centers.

The policy framework also shows that the government's approach to data center investment is expanding beyond conventional investment promotion. In developing policies and regulatory standards, the committee would be required to consider Thailand's economic interests alongside clean energy usage, energy security, efficient electricity and water consumption, town planning and public safety. These factors reflect the resource-intensive nature of large-scale data centers and the need to balance rapidly growing digital infrastructure investment with constraints on energy, water and surrounding communities.

This development comes as Thailand seeks to position itself as a regional destination for digital infrastructure while simultaneously increasing scrutiny of how data center projects are developed and operated. The proposed committee could influence the interaction among investment incentives, telecommunications regulation, infrastructure capacity and sustainability requirements. For investors, this means that regulatory assessment may increasingly consider not only the size of an investment but also its energy profile, resource efficiency and compatibility with broader national strategic interests.

From a legal and business perspective, data center developers, operators and investors should monitor the final regulation and any policies, standards or approval frameworks subsequently issued by the committee. Project planning may require increasingly integrated analysis of telecommunications licensing, BOI incentives, foreign ownership, land and construction requirements, electricity and water availability, and sustainability commitments. The initiative remains at the policy-development stage, but it signals a shift toward more centralised government oversight of a sector that has previously been regulated through multiple separate legal regimes. The eventual framework could therefore become an important factor in structuring and evaluating future data center investments in Thailand.

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