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Thailand Opens More Business Activities to Foreign Investors

Thailand has taken another step toward easing foreign investment restrictions under the Foreign Business Act B.E. 2542 (1999) (FBA). On 28 August 2026, the Ministry of Commerce issued ministerial regulations removing eight categories of business from the requirement to obtain a Foreign Business License (FBL) or Foreign Business Certificate (FBC). The exemptions are in effect and apply to qualifying foreign majority-owned companies and foreign entities operating in Thailand. The reform follows the government's earlier proposal to remove regulatory duplication for activities already supervised under sector-specific laws or considered to have limited competitive impact on Thai businesses.

The first group of exemptions covers activities already subject to specialised regulatory regimes. These include certain telecommunications services conducted under Type 1 licences by operators without their own telecommunications networks, treasury centre businesses, lending for the purchase of securities, reverse repurchase transactions, and specified derivatives activities. The underlying policy is that requiring an additional approval under the FBA may be unnecessary where another regulator already exercises substantive oversight. The changes therefore reduce overlapping licensing requirements without removing the sector-specific approvals that continue to apply to those businesses.

A second important category concerns services provided between related juristic persons. Administrative management, human resources management and IT management services, together with domestic financial guarantees, may qualify for exemption where the entities satisfy the relationship characteristics prescribed by the relevant ministerial regulation. This exemption is narrower than a general group-company exemption: according to the legal update, it applies only to specified relationships and should not be assumed to cover affiliated or group companies automatically. Foreign-owned corporate groups should therefore confirm that their particular structure satisfies the prescribed criteria before relying on the exemption.

The regulations also remove FBA approval requirements for certain supporting activities with limited competitive impact, including qualifying petroleum drilling services provided directly to concessionaires, production-sharing contractors or service contractors under petroleum laws, and leasing space for electronic financial-service machines or vending machines for employee convenience. A separate Royal Decree removing agricultural futures trading on a derivatives exchange from FBA requirements is also expected. These developments show a more targeted approach to foreign business regulation, focusing restrictions on activities where foreign participation raises substantive competition or policy concerns rather than retaining duplicative approval requirements across regulated sectors.

From a legal and business perspective, the exemptions can simplify market entry and intra-group operations for foreign investors, but they do not amount to a general liberalisation of the FBA. Businesses must still determine whether their precise activities fall within an exempt category, satisfy any relationship or transaction-specific conditions, and comply with licences and approvals requirements imposed under other applicable laws. Foreign-owned companies currently operating under an FBL or FBC should also consider how the new rules affect their regulatory position and future restructuring. The reform reduces one layer of approval for selected activities, but careful activity-by-activity analysis remains essential before concluding that an FBA licence is no longer required.