Siam Legal International Details New Exemptions to the Foreign Business License in Thailand

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Siam Legal International, a full-service law firm with more than 22 years of experience in Thailand, has released a guide to the new Foreign Business License (FBL) exemptions introduced on August 28, 2026, which make it significantly easier for foreign-owned companies to operate. On that date, two new ministerial regulations were published in the Royal Gazette and took effect immediately, removing the FBL requirement for a range of service activities.

A majority foreign-owned company in Thailand normally needs an FBL to carry out most service activities. Applying for an FBL can take months, and approval is never guaranteed. Under the Foreign Business Act, List Three covers business activities in which Thai companies are protected from foreign competition, and foreign-owned companies have historically needed a license to operate in these areas.

The first regulation expands the list of fully exempt categories from 12 to 18. The second is a separate rule covering companies that act as agents in derivatives trading.

The six newly exempt categories begin with telecommunications, where businesses that do not own their own

network, such as resellers holding a Type One license, no longer need an FBL. Treasury centers, which manage a group's foreign currency and payments, such as a regional headquarters funding its sister companies, are also exempt. Shared back office services are the third category, under which Thai companies that handle administration, human resources, or IT for related companies within the same group may no longer need a license.

The fourth category allows a company to guarantee loans for a related company in Thailand without an FBL. The fifth covers leasing space for machines, allowing a company to rent out part of its building for ATMs or vending machines, provided they are there for the convenience of its employees. Petroleum drilling is the final category, exempt only under a direct contract with a concession holder, a production sharing contractor, or a service contractor, with subcontractors not qualifying.

The shared services and debt guarantee exemptions apply only to related companies, and a company must meet one of the set conditions to qualify. The exemptions are not strictly limited to a traditional parent and subsidiary structure, as other group structures can qualify depending on their ownership and management overlaps. The shareholding threshold changes depending on the activity, with a 25 percent link required for shared services and a much higher 50 percent link required to guarantee debt.

The new regulations also expand existing exemptions for the securities and financial sector. The securities exemption now includes lending money for securities purchases, commonly known as margin lending, as well as purchasing securities through reverse repurchase agreements. The derivatives exemption has also been widened.

The second regulation specifically covers companies acting as an agent or broker in derivatives trading on behalf of clients, rather than trading for themselves. This agency work is now exempt from the FBL in two situations. The first is when the underlying assets of the contract fall completely outside Thailand's main derivatives act, and the second is when the trade takes place off the exchange and settlement is calculated based on exchange rates or interest rates.

"These changes eliminate major licensing hurdles for foreign-owned companies, but only where the business structure strictly meets the criteria," said Chiara Budelli, Partner at Siam Legal International. "The exemptions remove the Foreign Business License requirement and nothing more, so companies may still need approvals from the relevant regulators, and those already holding a license or certificate should review what it covers before making any changes."

The exemptions do not mean a company is free from all regulations, as approvals from the respective regulators may still be required. Companies that already hold an FBL or Foreign Business Certificate should not surrender it too quickly. If the existing permit covers other business activities that remain restricted, giving

it up could affect the company's legal right to continue those operations. Siam Legal's Thailand FBL exemptions guide covers each of the new categories in detail.

Siam Legal International is a full-service law firm with more than 22 years of experience assisting foreign nationals in Thailand, with offices in Bangkok, Chiang Mai, Phuket, and Pattaya. The firm provides comprehensive legal support across immigration, property transactions, business law, family law, and litigation.

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American-managed Thailand law firm with 22+ years? experience. Experts in corporate setup, BOI, FBL, family & divorce, property, litigation, immigration, notary, wills, contracts & due diligence across Bangkok, Phuket, Pattaya & more.

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