



Legal News

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Non-licensing service businesses under the Foreign Business Act B.E. 2542

The non-licensing service businesses under the FBA are as follows:

- The financial institution business and other business under the financial institution business laws
 - (1) Commercial banks;
 - (2) Representative offices of banks;

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- Life insurance business according to the life insurance laws;
- Non-life insurance according to the non-life insurance laws.

The Ministerial Regulations on the non-licensing service business of the foreign business operations (No. 2) B.E. 2559 was effective on 19 February 2016.

Ministry of Commerce Rulings on Business Operations of Foreign Companies in Thailand



Providing service as a “party to the contract”

A foreign company will enter into a contract with a customer in Thailand to provide service of procurement, installation, repairing, monitoring and maintenance of goods manufactured by a related group company. The ruling provided by participating in the contract that the foreign company is conducting business as a “party to the contract” and the foreign company must apply for permission to operate a service business under the list 3 (21) under the Foreign Business Act B.E. 2542.

The shop for operating retail business

Based on this ruling the place that is considered a shop for operating a retail business under the Foreign Business Act B.E. 2542 means any place where the business operator has constant communication with its customers such as communicating with customers on the sale of goods, receiving purchase order from the customers, receiving and returning of goods by the customers, issuing any accounting documents to the customers, etc.

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