

Relaxation of Foreign Exchange Regulations Under the Non-resident Qualified Company (NRQC) Scheme

On January 5, 2021, the BOT has allowed non-resident companies to have more flexibility in conducting foreign exchange transactions against Thai baht with onshore financial institutions under the Non-resident Qualified Company Scheme (NRQC scheme).

Who can apply?

Non-resident companies not engaging in financial and gold businesses and having trade and investment (not including portfolio investment) in Thailand (eligible underlying), can apply. Offshore treasury centers managing foreign exchange risk for other non-resident companies having the above qualifications are also eligible for NRQC status.

Benefits for NRQCs

NRQCs will be entitled to the following benefits:

1) Engage in FX/THB transactions including forwards or swaps with onshore financial institutions (FIs) to manage currency risks related to Thai baht exposure arising from eligible underlying in Thailand without having to provide proof of underlying for each transaction. The scope of eligible underlying transactions has also been broadened to include anticipatory hedging and balance sheet hedging.

The transactions can be executed with any onshore FI directly or with any offshore FI who engages in back-to-back transactions with an onshore FI.

2) Manage Thai baht liquidity more flexibly without being subject to the end-of-day outstanding limit of THB 200 million imposed on Non-resident Baht Accounts (NRBAs).

Application Process

Non-resident companies interested in applying for the NRQC scheme can contact the onshore FIs (Sponsoring Financial institutions: Sponsoring FIs) who will then submit an application to the BOT. In this process, relevant information, such as the nature of trade or investment exposure and expected amount of FX/THB transactions, will be requested by the Sponsoring FIs for verification as part of due diligence process and internal assessment.

Transacting FX/THB with Onshore Financial Institutions

1. Transacting FX/THB directly with onshore FIs

Once NRQC status is approved by the Bank of Thailand, NRQCs will be able to undertake FX/THB transactions relating to eligible Thai baht underlying with onshore FIs (both Sponsoring FIs and Non-Sponsoring FIs) using the BOT approval document, without having to provide documentary proof of underlying with each transactions.

Undertaking FX/THB transactions under this scheme with a Non-Sponsoring FI for the first time, NRQCs will be subject to similar due diligence process and internal assessment required by the BOT as with Sponsoring FIs. However, this will not be subject to another approval by the BOT.

2. Transacting FX/THB through offshore FIs via Back-to-Back Transactions

If an NRQC wishes to undertake FX/THB transactions via an offshore FI who will be undertaking a back-to-back transaction with an onshore FI, supporting evidences which are (1) document authorizing the offshore FI to undertake FX/THB transactions on behalf of the NRQC and certifying that the same underlying will not be used for other transactions, and (2) document showing transactions undertaken between the NRQC and the offshore FI, are required to be provided to the onshore FI who is the counterparty to the transactions.



NRQC Scheme

(Non-Resident Qualified Company)

What is NRQC scheme?

The NRQC scheme allows non-resident corporates to have more flexibility in undertaking foreign exchange transactions against Thai baht with onshore financial institutions. Non-resident companies not engaging in financial and gold businesses and having trade and investment (not including portfolio investment) in Thailand are eligible to participate in the scheme.

Why NRQC scheme?

This scheme will help reduce impacts from the volatility of Thai baht arising from transactions in the offshore market. Under this scheme, NRQCs will be more flexible in conducting Thai baht transactions with onshore financial institutions. The scheme will also help increase the breadth and depth of the domestic foreign exchange market, as well as enhance market transparency and surveillance.

NRQCs will be entitled to many benefits



Broader scope of transactions

which includes anticipatory hedging and balance sheet hedging



No document of underlying required



Unlimited outstanding balances in Non-resident Baht Accounts (NRBAs)
(Generally, the end-of-day outstanding limit for NRBA is 200 Million Baht)

NRQCs can simply undertake FX/THB transactions with onshore financial institutions.



Only submit the approval letter from the BOT.

No document of underlying is required.