

Questions and Answers (Q&A)

Tightening of reporting requirements for non-residents' holdings of debt securities issued in Thailand
with reference to the Circular Letter of the Bank of Thailand

Re: Amendments to the conditions and format of reporting requirements for ultimate beneficiary
owners' holdings of debt securities issued in Thailand, Dated 12th July 2019

No.	Questions	Answers
1.	What is the definition of UBOs?	Ultimate beneficiary owners or UBOs refer to the non-residents who ultimately own or receive the benefits from holding/investing in debt securities issued in Thailand. They also include those who exercise direct or indirect control over holding/investing in debt securities issued in Thailand.
2.	Why does the BOT request additional UBOs (Ultimate Beneficiary Owners) information?	Non-residents' UBOs reporting will enhance the completeness of balance of payments and international investment position (IIP) statistics, as well as improve transparency consistent with international surveillance standards. Moreover, it will be beneficial for improving monitoring and analysis of non-resident investors' behavior in the bond market.
3.	What are the differences between the current and previous UBOs reporting requirements?	The UBOs reporting format will not be altered. However, previously optional UBOs information (no. 3-5) will now be mandatory . 1. End Beneficiary Institutional Sector 2. End Beneficiary Country Code 3. End Beneficiary Legal Id 4. End Beneficiary Legal Unique Id Type 5. End Beneficiary Full Legal Name The new requirements will be effective from the July-2019 reporting period onwards.
4.	Who is responsible for the reporting of UBOs information to the BOT?	The UBOs must disclose their information to the global custodians, who in turn pass on the information to the local custodians. The local custodians are then responsible for reporting the information directly to the BOT.
5.	What actions should commercial banks and asset management companies that act as local custodians take if they are unable to disclose/submit the information within the required period?	In such cases, the commercial banks or asset management companies must notify the BOT of the reasons for their inability to comply, as well as the extension period they might need. The BOT will, on a case-by-case basis, consider granting extensions as deemed appropriate.

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6.	What are the consequences of the failures to submit UBOs information to the BOT or, in the case of Omnibus level, enforce non-resident investors to report those information?	<p>Although the reporting requirement is mainly a request to cooperate, if the local custodians fail to disclose/submit the information as requested, the BOT may consider triggering appropriate corrective actions using the power of Section 63 of the BOT Act. As such, all related parties are advised comply with the new requirements.</p> <p>If the UBOs or those responsible for reporting are unable to report the information within the required period, they may request for an extension which the BOT will consider granting as appropriate.</p>