



**BANK NEGARA MALAYSIA**  
CENTRAL BANK OF MALAYSIA



**BANK OF THAILAND**

## **Joint Press Release**

### **Further Expansion of the Local Currency Settlement Framework between Bank Negara Malaysia and the Bank of Thailand**

Bank Negara Malaysia (BNM) and the Bank of Thailand (BOT) today announced the further expansion of the ringgit - baht settlement framework effective 1 December 2021. This is part of the continuous effort to facilitate wider use of local currencies for settlement of trade and direct investment between Malaysia and Thailand.

The latest framework includes an expansion of eligible users to include Malaysians and Thais who reside in either country, as well as additional foreign exchange policy flexibilities such as simplified documentation requirements.

Datuk Abdul Rasheed Ghaffour, Deputy Governor of BNM said, “This expansion would provide greater accessibility to ringgit or baht-denominated financial services for individuals as well as businesses in both countries. The framework also now allows Thai individuals residing in Malaysia to avail themselves to these services. The expansion will boost future economic activities between our two countries.”

Mr. Mathee Supamongse, Deputy Governor of BOT, said “This latest expansion of the ringgit-baht settlement framework will benefit people and businesses in both Malaysia and Thailand. It will further facilitate cross-border financial transactions including through the recently launched cross-border QR payment linkage between our two countries. We believe this will pave way for wider use of local currencies and greater financial integration within the ASEAN region.”

The Local Currency Settlement Framework between Malaysia and Thailand was last expanded on 2 January 2018, after its initial launch on 14 March 2016 in

accordance with the Memorandum of Understanding signed between BNM and the BOT on 27 August 2015.

Following the latest expansion, BNM and the BOT have also appointed additional qualified commercial banks in both countries to participate in and further support the expanded ringgit-baht settlement framework. In general, the appointed banks are resilient and healthy, experienced in facilitating settlement of trade and direct investment between the two countries and have established strong business relationships with banks in the counterparty country.

The appointed banks are as follows:

#### **Malaysia**

- **Additional appointed banks**

- HSBC Bank Malaysia Berhad
- Standard Chartered Bank Malaysia Berhad

- **Existing appointed banks**

- Bangkok Bank Berhad
- CIMB Bank Berhad
- Malayan Banking Berhad
- MUFG Bank (Malaysia) Berhad
- Public Bank Berhad
- RHB Bank Berhad
- United Overseas Bank (Malaysia) Berhad

#### **Thailand**

- **Additional appointed banks**

- The Hong Kong and Shanghai Banking Corporation Limited, Bangkok Branch
- Standard Chartered Bank (Thai) PCL

- **Existing appointed banks**

- Bangkok Bank PCL
- Bank of Ayudhya PCL

- CIMB Thai PCL
- Kasikornbank PCL
- Krung Thai Bank PCL
- Siam Commercial Bank PCL
- United Overseas Bank (Thai) PCL

Bank Negara Malaysia

Bank of Thailand

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**See Also:** Frequently Asked Questions (as attached)

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