



Notification of the Bank of Thailand

No. SorRorKhor. 9/2566

Re: Additional Criteria on Purchase of Debt Instruments Issued by State Enterprises or Financial Institutions Established under Specific Laws and the Use of Debt Instruments for which the Bank of Thailand is not a Registrar as Collateral
(First Amendment)

1. Rationale

The Bank of Thailand (BOT) stipulates additional criteria for the purchase of debt instruments issued by state enterprises or financial institutions established by specific laws. These include prohibiting the use of debt instruments for which the financial institutions are the guarantors as collateral at the BOT to prevent wrong-way risk and to be consistent with the collateral requirements for the BOT's open market operations.

2. Statutory Power

By virtue of Section 44 and Section 45 of the Bank of Thailand Act B.E. 2485 (1942) and the amendments thereafter and for the implementation of Article 71 of the Bank of Thailand Regulation Re: BAHTNET Services B.E. 2549 (2006), Article 1 (4) of the Bank of Thailand Regulation Re: Purchase of Debt Instruments with Repurchase Agreement to Provide Intraday Liquidity Facilities, and Article 7 of the Bank of Thailand Regulation Re: Measures for Managing Risks from Multilateral Net Settlement through the BAHTNET.

3. Amendments

Notification of the Bank of Thailand No. SorRorKhor. 8/2562 Re: Additional Criteria on the Purchase of Debt Instruments Issued by State Enterprises or Financial Institutions Established under Specific Laws and the Use of Debt Instruments for which the Bank of Thailand is Not a Registrar as collateral, dated 4th December B.E. 2562 (2019).

4. Scope of Application

This Notification shall be enforced with financial institutions as defined by the Notification of the Bank of Thailand No. SorRorKhor. 8/2562 Re: Additional Criteria on the Purchase of Debt Instruments Issued by State Enterprises or Financial Institutions Established under Specific Laws and the Use of Debt Instruments for

which the Bank of Thailand is Not a Registrar as collateral, dated 4th December B.E. 2562 (2019)

5. Contents

Article 1 of the Notification of the Bank of Thailand No. SorRorKhor. 8/2562 Re: Additional Criteria on the Purchase of Debt Instruments Issued by State Enterprises or Financial Institutions Established under Specific Laws and the Use of Debt Instruments for which the Bank of Thailand is not a Registrar as collateral, dated 4th December B.E. 2562 (2019), shall be repealed and replaced by the following:

“**Article 1** Financial institutions shall not offer debt instruments of which they are the issuers or the guarantors as collateral at the BOT unless the BOT specifies otherwise.”

6. Effective Date

This Notification shall come into force from 27th December B.E. 2566 (2023) onwards.

Announced on 25th December B.E. 2566 (2023)

(Mr. Sethaput Suthiwartnarueput)
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