Thailand's New Horizons: Empowering People, Building Resilience

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Excellencies,
Distinguished guests,

Good morning.

It is a pleasure to join you all at the **Bangkok Business Summit 2026.**

I would like to thank the **Joint Standing Committee on Commerce, Industry and Banking** for inviting me to speak today and for bringing us together at this Summit.

In just a few weeks, Thailand will host the IMF–World Bank Group Annual Meetings for the second time in 35 years. The return of this meeting to Bangkok reaffirms global trust in Thailand and highlights Asia's growing role in the world economy.

More than 15,000 participants from 191 countries will gather in Bangkok to discuss key global challenges and solutions.

Today's Summit helps set the stage by shaping Thailand's strategic message and highlighting how we can contribute to regional and global resilience while advancing our own growth and competitiveness.

We live in an era where shocks emerge more frequently and spread more rapidly. In less than a decade, we have experienced a pandemic, geopolitical conflicts, supply chain disruptions, food and energy shocks, demographic transitions, and rapid technological changes such as AI-driven disruption.

For Thailand, each major crisis has left the economy on a lower growth trajectory, with average growth declining from 5.3% after the Asian Financial Crisis in 1997 to 3.7% after the Global Financial Crisis, and now to just 2.4% after the COVID pandemic.

The challenge before us is therefore not only to recover from shocks, but to build the resilience and capabilities needed to sustain long-term growth.

This October, we look forward to convening dialogues on these issues, as reflected in our country theme, **"Thailand's New Horizons: Empowering People, Building Resilience."**

"New Horizons" begins with people. **"Empowering People"** equips them with the capabilities and opportunities to thrive, while **"Building Resilience"** provides the trust and stability to turn opportunity into lasting progress. Together, they are the foundations that enable economies to navigate uncertainty and emerge stronger from shocks.

The country theme is framed around four pillars.

The first pillar focuses on <u>Digital and AI Transformation</u> as a driver of inclusive and resilient growth.

<u>I will return to this challenge in the next section.</u>

The second pillar addresses the challenge of <u>Building Resilience in a Fragmented World</u>. Rising trade tensions and supply chain disruptions are testing the growth model of small open economies. While many businesses have diversified suppliers and trade routes, the capacity to adjust remains uneven, particularly among SMEs.

The challenge is to strengthen the capabilities of people and small businesses to navigate change and remain competitive, while positioning Thailand as **a trusted hub for investment, production, and regional connectivity.**

We can position ourselves as a trusted hub. In this environment, global businesses increasingly value certainty and resilience. Thailand may not be the lowest-cost destination, but our strength lies in our **stability and reliability**. Over the past five years since the first trade war, global FDI declined by 4.2%. However, FDI into Thailand rose by 20.9%, reflecting our potential as a trusted hub amid fragmentation.

No major conflicts.

The third pillar highlights the need for a <u>New Financial Architecture for Climate Adaptation</u>. As climate risks intensify, greater investment in adaptation has become a priority. This requires stronger enabling frameworks, enhanced collaboration, and a greater role for international financial institutions in scaling finance for resilience. The challenge is also to ensure that finance reaches those most vulnerable to climate risks.

The Bank of Thailand's approach combines short-term initiatives such as **"Financing the Transition"** with long-term foundations like **Thailand Taxonomy**. These efforts have supported the transition of more than 750 businesses and mobilized over 210 billion baht in financing. Thailand Taxonomy currently covers six key economic sectors, accounting for **95% of the country's greenhouse gas emissions and 50% of Thailand's GDP.**

The fourth pillar explores <u>Demographic Change and the Longevity Economy</u>. This also creates opportunities in healthcare, wellness, and longevity-related industries such as functional food and bio-based medicines.

I will now **turn to the first pillar, Digital and AI Transformation,** and the role of the financial sector in supporting growth and strengthening Thailand's competitiveness. The Bank of Thailand is responsible for the content of this pillar.

Thailand has unique experience in developing DPI in two respects.

First, our PromptPay, which is an instant payment transfer infrastructure, **charges no fees to customers.**

- PromptPay serves over **83 million** registered accounts. In July 2026 alone, it handled **2.51 billion transactions free of charge.**

Second, we have an application called **Paotang that was built on PromptPay infrastructure.** This has enabled fiscal support to reach targeted groups instantly and efficiently.

- As of January 2026, Paotang has grown to over 40 million customers, making it one of the country's most widely adopted digital platforms.

Together, these foundations have accelerated the adoption of digital payments and financial services across Thailand.

- **Digital payment transactions** have more than doubled over the past four years, from **21 billion Baht** in 2021 to **48 billion Baht** in 2025.

- **Digital financial service adoption** has risen gradually over the past five years, but **mobile banking** accounts have surged by nearly 70%, from 84 million to 141 million accounts.

With greater adoption and access to digital finance, we also see **fraud, scams, and cyber threats** growing in both scale and sophistication. This is why the Bank of Thailand places importance on the security, integrity, and safety of the digital finance ecosystem. This is the rationale behind the concept of **Safe and Inclusive Digital Finance (SIDF)** that the Bank of Thailand is promoting.

At the moment, we see **three challenges** that undermine financial safety and inclusivity.

- First is the rise of **fraud, scams,** and other forms of **digital crime** that undermine trust in the digital economy.

- Second is **increasing cyber and operational risks to financial resilience**.

- Third are **gaps in the enabling ecosystem** arising from a lack of regulations governing the use of AI and other emerging technologies in finance.

The scale of the challenge is significant. In 2024, Asia accounted for nearly two-thirds of global scam losses. In Thailand alone, **financial fraud caused losses of more than 43 billion baht, or around 0.2% of GDP**, with actual losses likely even higher due to underreporting.

At the same time, **cyber incidents** in the financial sector have increased tenfold globally over the past decade, while cyber-enabled fraud cases have nearly tripled.

- In Thailand, cyberattack attempts targeting the banking sector rose by around 45% in 2025, largely in the form of DDoS, malware, and phishing campaigns, reflecting the increasing scale and sophistication of threats facing the financial system.

Finally, enabling policies are needed to ensure that innovation and trust advance together. **With digital banking adoption reaching 188 million accounts in 2026**, digital channels have become a critical gateway to financial services. Our challenge is therefore to ensure that safeguards keep pace with innovation, so that digital finance and AI continue to expand opportunity, deepen inclusion, and strengthen trust across the financial system.

As digital fraud grows in scale and sophistication, global cooperation remains at an early stage. In response, **Thailand has partnered with the IMF and World Bank to develop the Bangkok Blueprint for Fraud-Resilient Financial Services, which sets out 12 Key Considerations** for building more effective and coordinated responses to cyber-enabled fraud.

Our ambition is for the "Bangkok Blueprint" to become a practical reference for countries seeking to strengthen their response to digital fraud. We hope it will be useful to the global community **beyond the Annual Meetings.**

Turning principles into practice, the Bank of Thailand has already implemented various measures and made good progress in tackling fraud and scams. One key lesson is the importance of close public-private collaboration and continuously adapting countermeasures to address both Unauthorized Payment Fraud and Authorized Push Payment (APP) Fraud.

In the beginning, when **Unauthorized Payment Fraud in the form of "money-draining apps" was our key concern**, the Bank of Thailand issued mobile banking security standards, enhancing protection against account takeover and impersonation. This development successfully reduced incidents involving money-draining apps to zero reported cases since January 2025.

However, as the patterns and channels of fraud and scams continue to evolve, we have seen **a shift from unauthorized payment fraud to Authorized Push Payment (APP) Fraud**. This requires actions beyond the banking sector and close collaboration with all relevant stakeholders.

A combination of measures and legislation has been put in place, including tougher scam-account management measures, API-enabled money tracing, better **customer profiling**, and caps on daily digital transfer outflows to reflect each customer's scam risk and day-to-day usage. Recently, we have also issued shared responsibility guidelines to strengthen accountability across the ecosystem.

As a result, APP fraud losses fell from a peak of **8.6 billion baht** in the second quarter of 2024 to **1.81 billion baht** in the second quarter of 2026, a reduction of nearly 80%.

This is good progress, but we still have more work to do.

Over the past 11 months as Governor, I have broadened our efforts to tackle illicit financial activities, recognizing that the proceeds of fraud and scams are a major source of illicit financial flows. We believe that eventually, the funds will be withdrawn as cash and converted into other asset classes, such as gold, foreign exchange currencies, and stablecoins like USDT. These are the channels used in money laundering.

In response to this, the Bank of Thailand has taken action in four key areas.

- First, we implemented **restrictions on high-value cash withdrawals**. Since these measures were introduced in April 2026, cash withdrawals of 5 million baht or more have declined by 52%, indicating a significant reduction in higher-risk cash transactions.

- Second, we have regulated online gold trading by **strengthening reporting requirements**, especially for **large-volume gold withdrawals**. Following the introduction of these measures, gold bullion withdrawals of 2 kilograms or more declined by 70%.

- Third, we have **strengthened oversight of foreign exchange businesses** through **transaction limits, operational standards, and enhanced reporting requirements** to improve transparency and reduce vulnerabilities to illicit financial activities.

- Fourth, we have been working with **the SEC** to enhance safeguards in the digital asset ecosystem, especially for **USDT** trading activities, whose trading volumes are extremely high, through stronger customer profiling and the implementation of the Travel Rule to enhance transparency and mitigate illicit financial flows.

To support these efforts, the Bank of Thailand has strengthened customer due diligence through more risk-based **KYC, CDD, and EDD requirements** across the customer lifecycle.

We have introduced 24 suspicious transaction patterns to help financial institutions better identify, monitor, and address higher-risk customers and transactions.

In addition, the Bank of Thailand will **introduce the Framework on Safeguarding the Financial Sector from Illicit Activities** as a common foundation for collective action across the financial sector.

Under the framework, **the Bank of Thailand and all financial institutions under its supervision will jointly declare our firm commitment not to facilitate, provide channels for, or support any illicit activities or corruption, directly or indirectly.**

We are committed to working collectively to prevent the financial sector from being misused.

Next week, financial institutions across the ecosystem, including **Commercial Banks, State-Owned Financial Institutions, Foreign Bank Branches, Non-Bank e-Payment Providers, Non-Bank Lenders, and Money Changers,** will come together to reaffirm this shared commitment and advance its implementation.

This is not just a commitment, but a set of concrete actions across the financial sector.

Commitments under the framework include, for example:

- **The BOT** will share supervisory insights, strengthen safeguards for high-risk cash and gold transactions, and introduce additional measures, including scrutiny of cash deposits exceeding 5 million baht and restrictions on cash purchases of gold exceeding 10 million baht.

- **Commercial banks** will strengthen customer due diligence using government data and apply the BOT's 24 suspicious transaction patterns to enhance monitoring.

- **Non-bank e-payment providers** will strengthen merchant due diligence and tighten KYC standards for e-money accounts to prevent payment misuse and scam accounts.

- **Non-bank lenders** will strengthen high-risk transaction detection and share suspicious transaction patterns with the BOT.

- **Money changers** will strengthen risk screening through a centralized database and enhanced AML/CFT and KYC standards.

Our commitment does not end with the Annual Meetings. The reforms, capabilities, and partnerships we build today are investments in Thailand's long-term competitiveness. A trusted and secure financial system is not only a safeguard against risk but also a strategic asset that supports innovation, attracts investment, and gives people and businesses the confidence to seize new opportunities.

Thank you.