Unofficial Translation

This translation is for the convenience of those unfamiliar with the Thai language.

Please refer to the Thai text for the official version.

Notice of the Competent Officer

Re: Rules and Practices regarding Currency Exchange

(No. 38)

By virtue of the power conferred upon him by Clauses 10, 11, 14 and 16 of the Notification of the Ministry of Finance on Directions of the Minister to Authorized Agents dated 31st March B.E. 2547 and the amendments thereof, the Competent Officer gives a notice as follows:

Clause 1. The provisions of (3) of the first paragraph of Clause 14 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"(3) Sale of foreign currencies by residents under spot transactions and forward transactions not in compliance with the rules, procedures, and conditions as specified in Clause17 to Clause 19."

Clause 2. The provisions of 2. and 3. of (a) of (2) of Clause 15 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"2. In the case where a person wishing to purchase foreign currencies for the following purposes, the authorized juristic person shall comply with the following:

2.1 For deposit into his own foreign currency accounts, the authorized juristic persons are not required to request the person to submit supporting documents in any amount and shall also comply with Clause 23.

2.2 For payments of imported gold, the authorized juristic persons shall request the person to submit supporting documents in any amount.

3. For the cases which require submission of supporting documents, the authorized juristic persons shall comply with the following:

3.1 On the trade date, the authorized juristic persons shall request the person wishing to purchase foreign currencies to submit supporting documents. However, in the case of purchase of foreign currencies under a spot transaction not for payment for imported gold, the authorized juristic persons are allowed to request for the above documents within the settlement date only when deemed reasonable and necessary.

3.2 On the settlement date, the authorized juristic persons shall request the person wishing to purchase foreign currencies to submit supporting documents in the case of a forward transaction under the second paragraph of 1. in an amount of USD 200,000 or more or its equivalent at a market rate, or the payments are for imported gold in any amount. In the case where the person wishing to purchase foreign currencies for the purposes of hedging or managing foreign exchange risks based on forecasts, the documents indicating obligations or foreign exchange risks such as invoices are required to be submitted instead of the forecasts.

Clause 3. The provision of Clause 17 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"Clause 17. Except for the cases specified in Chapter 1 and Chapter 4 of Title 2, and Title 3, in the case where a resident wishes to sell foreign currencies under spot transactions or forward transactions, the authorized juristic persons shall comply with the following:

(1) the authorized juristic persons shall request the person to declare details of the transactions according to Clause 44 and are allowed to proceed with the following cases:

(a) For spot transactions, the authorized juristic persons are allowed to proceed with the transactions in any case,

(b) For forward transactions, the authorized juristic persons are allowed to proceed with the following cases:

1. The person receiving foreign currencies income in the future;

2. The person having foreign currencies in his foreign currency accounts according to Clause 23;

3. The person selling foreign currencies for hedging or managing foreign exchange risk as specified in Clause 15 (1) (e), mutatis mutandis.

The provision in the second paragraph of (1) in Clause 15 prescribing rules relating to affiliated business entities shall also be applied for the sale of foreign currencies in this Clause, mutatis mutandis.

(2) The authorized juristic persons shall comply with the rules, procedures, and conditions as follows:

(a) The authorized juristic persons shall comply with the rules on supporting documents as follows:

1. Except for the case in (2) (a) 2., the authorized juristic persons are not required to request the person wishing to sell foreign currencies to submit supporting documents in the following cases:

1.1 Spot transactions where the authorized juristic persons have performed the Know Your Business process on the customer, or the amounts of the foreign currencies are less than USD 200,000 or their equivalent at a market rate, or the foreign currencies are withdrawn from own foreign currency accounts or received from others' foreign currency accounts.

1.2 Forward transactions where the authorized juristic persons have performed the Know Your Business process on the customer, as well as imposed and monitored the customer's forward transaction limit.

For the cases that are not in compliance with 1.1 and 1.2, the authorized juristic persons shall request the person to submit supporting documents for such purposes.

2. For sale of foreign currencies in the following cases, the authorized juristic persons shall comply with the following:

2.1 For sale of foreign currencies under spot transactions in amounts of USD 200,000 or more or their equivalent at a market rate, or under forward transactions in any amount, in the following cases, the authorized juristic persons shall request the person wishing to sell foreign currencies to submit supporting documents.

2.1.1 Foreign currencies received from sale of immovable properties in Thailand to non-residents;

2.1.2 Foreign currencies received from sale of digital assets;

2.1.3 Other investments not related to investment in affiliated companies or branches, investment in securities, lending and borrowing, or settlement of derivatives contracts, according to the transaction purpose codes on the Bank of Thailand's electronic system;

2.1.4 Other purposes not related to goods, services, incomes, remittances and donations, investment, banknotes and deposit accounts, according to the transaction purpose codes on the Bank of Thailand's electronic system.

2.2 For sale of foreign currencies receiving from sale of gold abroad, the authorized juristic persons shall request the person to submit supporting documents in any amount.

2.3 For sale of foreign currency banknotes exceeding USD 15,000 or its equivalent at a market rate per person, the authorized juristic persons shall request the person to submit documents indicating that the foreign currency banknotes have been brought into Thailand, or documents indicating that the foreign currencies have been obtained from persons authorized to conduct the businesses relating to foreign means of payment under the permitted scope of the businesses.

3. For the cases which require submission of supporting documents, the authorized juristic persons shall comply with the following:

3.1 On the trade date, the authorized juristic persons shall request the person wishing to sell foreign currencies to submit supporting documents. However, in the case of sale of foreign currencies under a spot transaction where the foreign currencies are not from sale of gold abroad, the authorized juristic persons are allowed to request for the above documents within the settlement date only when deemed reasonable and necessary.

3.2 On the settlement date, the authorized juristic persons shall request the person wishing to sell foreign currencies to submit supporting documents in the case of a forward transaction under the second paragraph of 1. and 2.1 in an amount of USD 200,000 or more or its equivalent at a market rate, or the foreign currencies are from sale of gold abroad in any amount. In the case where the person wishing to sell foreign currencies for the purposes of hedging or managing foreign exchange risks based on forecasts, the documents indicating obligations or foreign exchange risks such as invoices are required to be submitted instead of the forecasts.

(b) The authorized juristic persons shall also comply with Clause 15 (2) (b) and (c), mutatis mutandis."

Clause 4. The provision of Clause 18 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"Clause 18. On the settlement date of the purchase or sale of foreign currencies under spot transactions or forward transactions as specified in Clause 15, 16, and 17, as the case may be, the authorized juristic persons shall request the person engaging in the transactions to take delivery or deliver foreign currencies under the transactions; except for the following cases;

(1) For transactions not related to payment for gold purchased or sold abroad, the person is allowed to rollover or not to rollover, or to unwind foreign currency transactions with the same authorized juristic persons who are counterparties to the former transactions or other authorized juristic persons. Offsetting can be made and the difference may be settled in baht or foreign currency. In case of rolling over, the authorized juristic persons shall comply with the practices on request for documents as specified in Clause 15 and Clause 17.

(2) For transactions related to payment for gold purchased or sold abroad, the person is not allowed to rollover the transactions. Not rolling over or unwinding of the transactions is allowed only in the following cases where offsetting can be made and the difference may be settled in baht or foreign currency.

(a) The authorized juristic persons who are counterparties to the former transactions cancel or reduce credit lines based on their risk assessment criteria and the action is in accordance with the conditions in the agreements as agreed upon in advance or under consent of the person;

(b) The person cannot take delivery or deliver foreign currencies in full amount due to deduction for certain fees, such as transfer fees, and request not to take delivery or deliver the foreign currencies only in the amounts of such fees.

In addition, only for the transaction in (1), in the case where the person wishing to purchase or sell foreign currencies on behalf of an affiliated business entity, the latter is also allowed to take delivery or deliver the foreign currencies or settle the difference.

Clause 5. The provision of (2) in the first paragraph of Clause 20/4 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"(2) For sale of foreign currencies, the authorized juristic persons shall comply with the following:

(a) For spot transactions, the authorized juristic persons shall request the person wishing to sell foreign currencies to submit supporting documents. In the case where the authorized juristic persons have performed the Know Your Business process on the customer, or the amounts of the foreign currencies are less than USD 200,000 or their equivalent at a market rate, the authorized juristic persons are not required to request the person to submit supporting documents.

(b) For forward transactions, the authorized juristic persons shall request the person wishing to sell foreign currencies to submit supporting documents in any amount where supporting documents shall be requested on the trade dates and the amounts shall not exceed the total value of the underlying investment or transactions."

Clause 6. The following provision shall be added as (3) of the first paragraph of Clause 20/4 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof;

"(3) Exchange of foreign currencies can be proceeded in all cases without submission of supporting documents."

Clause 7. The provision of the second paragraph of Clause 20/4 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"In the case where supporting documents are required, the authorized juristic persons shall request the person to submit the documents on the trade dates except for the purchase or sale of foreign currencies under spot transactions where the authorized juristic persons are allowed to request for the above documents within the settlement dates only for the cases deemed reasonable and necessary."

Clause 8 The provision of (1) of Clause 23 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"(1) Foreign currencies in the following cases are allowed for deposit in foreign currency accounts, and the scope, rules, procedures, conditions and limits for each case shall also be complied.

(a) Foreign currencies received from abroad including foreign currencies that non-residents have purchased, exchanged, or borrowed from authorized juristic persons and paid or transferred to residents are allowed for deposit without limit.

(b) Foreign currencies that residents have purchased, exchanged, or borrowed from authorized juristic persons are allowed for deposit without limit.

(c) Foreign currencies that residents received from other foreign currency accounts are allowed for deposit as follows:

1. Foreign currencies received from own, or others' foreign currency accounts are allowed for deposit in any case without limit.

2. Foreign currencies received from the authorized juristic persons or persons authorized to conduct other types of businesses relating to foreign means of payment are allowed for deposit under the scope of each type of business without limit.

(d) Foreign currencies that residents received from other residents for the purposes as specified in Clause 15 (1) (d) or investment in accordance with Clause 20/3 are allowed for deposit in amounts received.

In accepting foreign currency deposit in the first paragraph, the authorized juristic persons are not required to request the person to submit supporting documents in any amount. However, in the cases as prescribed in (a) and (c) 1. only where the foreign currencies have been transferred from non-residents' foreign currency accounts, the authorized juristic persons shall comply with the purchase of foreign currencies under a spot transaction as specified in Clause 17 (2), mutatis mutandis."

Clause 9. The provision of the third paragraph of Clause 36 of the Notice of the Competent Officer on Rules and Practices regarding Currency Exchange dated 31st March B.E. 2547 and the amendments thereof shall be repealed and replaced by the following;

"In withdrawing baht in the cases as prescribed in Clause 35/1 and 35/3 of this Notice, authorized juristic persons are allowed to proceed without requesting for supporting documents and shall ensure that the withdrawal is in accordance with the purposes of each type of account. The authorized juristic persons may request for supporting documents as deemed appropriate. However, withdrawals for payment for gold to residents where the gold is sold abroad, the authorized juristic persons shall request the person to submit supporting documents in any amount."

Clause 10. The Competent Officer's approval letters for any course of action related to the rules, procedures, and conditions under this Notice which exist prior to the effective date of this Notice shall further remain in force; except for the case where such letters have specified the conditions that are less accommodative than those specified in this Notice, the rules and conditions under this Notice shall be complied with.

Clause 11 This Notice shall come into force on the day following its publication in the Government Gazette.

Announced on the 29th September B.E. 2569

(Ms. Pimpan Charoenkwan)
Competent Officer