Unofficial Translation

With collaboration between the Bank of Thailand and the Association of International Banks

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

Please refer to the Thai text for the official version.

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**The Bank of Thailand Notification**

**No. FPG. 6/2561**

**Re: Permission for Commercial Banks to Operate e-Money Service Business**

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## 1. Rationale

The Bank of Thailand, recognizing the benefits of commercial bank's electronic money (e-Money) service in enhancing the efficiency of the payment system, providing convenience to the users in operating financial transactions and lowering cash handling cost of the merchants, had issued e-Money supervisory guideline for commercial banks since 2004 which had been revised periodically. In 2017, the Bank of Thailand had expanded the scope allowing commercial banks to provide e-Money service in foreign currencies and revised the guideline in according with the guidelines stipulated under the Royal Decree Regulating Electronic Payment Service Business, B.E. 2551 (2008). In the past, commercial bank was required to apply for an approval from the Bank of Thailand to engage in e-Money business under Section 36 of the Financial Institutions Businesses Act B.E. 2551 (2008) in addition to notify, register or apply for a license to operate e-Money under the Royal Decree Regulating Electronic Payment Service Business, B.E. 2551 (2008) as well.

**Subsequently the Royal Decree Regulating Electronic Payment Service Business, B.E. 2551 (2008) was repealed and the Payment System Act B.E. 2560 (2017) was promulgated to consolidate laws related to the supervision of payment system and payment services in order to enhance unity efficiency and facilitate innovation. The guidelines under the law governing payment system also cover the supervision of e-Money service of commercial banks by stipulating supervisory guideline on risks and consumer protection. Hence, in order to unify the supervisory guidelines and reduce duplication of the licensing, the Bank of Thailand by virtue of the power under Section 36 of the Financial Institutions Businesses Act B.E. 2551 (2008) hereby grants general permissions for commercial banks to operate e-Money service business without having to additionally apply for the Bank of Thailand approval under Section 36 of the Financial**

**Institutions Businesses Act B.E. 2551 (2008). Nonetheless, commercial banks must be licensed or registered to operate e-Money service business under the law governing payment system as well as comply with related guidelines and laws.**

## 2. Statutory Power

By virtue of the power under Section 36 of the Financial Institutions Businesses Act B.E. 2551 (2008), the Bank of Thailand hereby grants commercial banks permission to operate e-Money service business and comply with the guideline stipulated within this Notification.

## 3. Repealed Notification

**Notification of the Bank of Thailand No. FPG. 18/2559 Re: Regulations on Permission for Commercial Banks to Provide Electronic Money (e-Money) Services dated 28 December 2016**

## 4. Scope of Application

This Notification shall apply to all commercial banks according to the law on financial institution business.

## 5. Content

### 5.1 Scope of the permission to opera te e-Money service business

**The Bank of Thailand grants general permissions for commercial banks to operate e-Money service business under Section 36 of the Financial Institutions Businesses Act B.E. 2551 (2008) that they are able to operate business within the scope stipulated under the law governing payment system. In this regard, commercial banks shall also comply with the law governing payment system which requires e-Money service business to apply for a license or to register accordingly.**

### 5.2 Compliance with related regulations and laws

**Commercial banks must comply with the law governing payment system which is related to e-Money service and guidelines of the Bank of Thailand e.g. the Bank of Thailand Notification Re: Guidelines on Supervision of Information**

**Technology Risks of Financial Institutions, The Bank of Thailand Notification Re: Guidelines on Market Conduct as well as other relevant laws.**

**5.3 Stipulation of additional conditions, deferment or suspension of business**

**The Bank of Thailand has the power to stipulate additional conditions, impose deferment or suspension of e-Money service business, in the event that commercial bank breaches or fails to comply with the law governing payment system or guideline stipulated within this Notification, or commercial bank has issues from the audit on governance or market conduct related to the latest Bank of Thailand examination, or any other case which the Bank of Thailand deems to have an impact on public safety and well-being.**

**6. Transitional Provision**

Commercial banks currently licensed to operate e-Money service business on the effective date of this Notification shall be able to continue operating the business until the commercial bank is no longer licensed or registered as e-Money service operator under the law governing payment system.

**7. Effective Date**

This Notification shall come into force from 16 April 2018.

**Announced on** 11 April 2018

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